No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**U.S. Securities Act**") and, may not be reoffered, resold or transferred to, or for the account or benefit, of a U.S. Person (as that term is defined in Regulation S of the U.S. Securities Act) except pursuant to an effective registration statement under the U.S. Securities Act, and any applicable state securities laws, or pursuant to an available exemption from the registration requirements from the U.S. Securities Act and any applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities offered hereby in the United States to, or for the account or benefit, of a U.S. Person. See "Plan of Distribution".*

PROSPECTUS
INITIAL PUBLIC OFFERING

May 14, 2018

IZOTROPIC CORPORATION

15718 39A Ave
Surrey, B.C.
V3Z 0L1

2,000,000 Common Shares
Price: $0.10 per Common Share
$200,000

Izotropic Corporation (the "**Company**") is offering (the "**Offering**") to purchasers resident in British Columbia, Alberta, and Ontario, through its agent, Chippingham Financial Group Limited (the "**Agent**") on a commercially reasonable efforts basis, a total of 2,000,000 common shares in the capital of the Company (the "**Common Shares**") at a price of $0.10 per Common Share for gross proceeds of $200,000. The offering price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "**Exchange**"). See "*Plan of Distribution*".

	Price to Public[(1)]	Underwriting Discounts or Commission[(1)]	Net Proceeds to the Company[(2)]
Per Common Share	$0.10	$0.01	$0.09
Offering	$200,000	$20,000	$180,000

Notes:

(1) The Agent shall receive a cash commission equal to 10% of the aggregate gross proceeds of the Offering and a non-transferable option (the "**Agent's Option**") to purchase up to that number of Common Shares in the capital of the Company equal to 10% of the aggregate number of Common Shares sold under this Offering at a price of $0.10 per Common Share for a period of twenty-four months from the date of Closing (as defined herein). The Agent's Option will be qualified under this prospectus. In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with this Offering and has provided a retainer of $10,000, from which those expenses are to be deducted with the balance to be paid at Closing, and pay the Agent a non-refundable work fee of $15,000 plus applicable taxes (the "**Work Fee**"), with 50% of the Work Fee remaining payable upon Closing of the Offering. See "*Plan of Distribution*".

(2) Before deducting the costs of this issue estimated at $150,000, which includes 50%, of the Work Fee which remains unpaid ($7,875), legal ($80,000) and audit ($10,000) fees and other expenses of the Company ($2,125), the Agent's expenses including its legal fees ($20,000), the listing fee payable to the Exchange ($15,000), the fees payable to CDS (as defined herein) ($5,000), the fees payable to the Transfer Agent and Escrow Agent (as defined herein) ($5,000) and the filing fees payable to the British Columbia Securities Commission (the "**BCSC**") ($5,000). See "*Use of Proceeds*".

The Agent (including any registered sub-agents who assist the Agent in the distribution of the Common Shares), as exclusive agent for the purposes of this Offering, conditionally offers on a commercially reasonable efforts basis the Common Shares, and if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the terms and conditions contained in the agency agreement (the "**Agency Agreement**") dated May 10, 2018 between the Company and the Agent and subject to the approval of certain legal matters on behalf of the Company by Clark Wilson LLP and on behalf of the Agent by McCullough O'Connor Irwin LLP. See "*Plan of Distribution*".

Subscriptions for the Common Shares will be received subject to rejection or allotment in whole or in part by the Company. It is expected that the Closing of the offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. If the total subscription of 2,000,000 Common Shares is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the Agent and persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. It is expected that share certificates evidencing the Common Shares will be available for delivery on the Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "*Risk Factors*".

The Company has applied to list its Common Shares on the Exchange. Listing of the Common Shares is subject to the Company fulfilling all of the listing requirements of the Exchange.

As at the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

An investment in the Common Shares should be considered highly speculative due to the nature of the Company's business, its present stage of development and other risk factors. Investors should not invest any funds in this Offering unless they can afford to lose their entire investment. See "*Risk Factors*".

Mr. John Boone, a director of the Company, resides outside of Canada. Mr. Boone has appointed the Company, at 15718 39A Ave, Surrey, B.C. V3Z 0L1, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

Investors should consider an investment in the securities of the Company to be speculative and should review the risk factors outlined on page 49 of this prospectus.

The Company is not a related or connected issuer to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*). See "*Relationship between Company and Agent*".

The following table summarizes the securities to be granted by the Company to the Agent in connection with the Closing of the Offering:

Agent's Position	Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Agent's Option[(1)]	200,000[(2)]	24 months from the date of Closing	$0.10

Notes:

(1) The Agent's Option is qualified under this prospectus. See "*Plan of Distribution*".

(2) Assuming completion of the Offering.

No person is authorized by the Company or the Agent to provide any information or to make any representations other than those contained in this prospectus in connection with the issue and sale of the securities offered pursuant to this prospect us.

Chippingham Financial Group Limited
Suite 202 – 595 Howe Street
Vancouver, B.C.
V6C 2T5
Telephone: (647) 346-4491
Facsimile: (647) 346-4421

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GLOSSARY OF DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires. Expressions used in this prospectus and other terms and expressions may be defined throughout this prospectus.

"Agency Agreement"	the agency agreement dated May 10, 2018 between the Company and the Agent, providing that the Agent, on behalf of the Company, conditionally offers the Common Shares, on a commercially-reasonable efforts basis.
"Agent"	Chippingham Financial Group Limited.
"Agent's Commission"	the cash commission equal to 10% of the total gross proceeds of the Offering payable to the Agent on Closing of the Offering.
"Agent's Option"	the non-transferable option to be granted to the Agent or its sub-agents, if any, to purchase up to a number of Common Shares equal to 10% of the aggregate number of Common Shares sold under the Offering at a price of $0.10 per Common Share, exercisable at any time up to the close of business 24 months from the Closing.
"Articles"	the Articles of the Company.
"BCSC"	the British Columbia Securities Commission.
"CBCA"	the *Canada Business Corporations Act*.
"CE"	Conformité Européene, a certification mark that indicates conformity with health, safety, and environmental protection standards for products sold within the EU for compliance with the Medical Device Directive (93/42/EEC) as amended. The CE mark is also found on products sold outside the EU that are manufactured in, or designed to be sold in, the EU.
"CDS"	CDS Clearing and Depository Services Inc.
"**Change of Control**"	Under the License Agreement, a change of control transaction which means the acquisition, merger, reorganization or other transactions where more than 50% of the voting power of the Company or IIC is transferred to a third party.
"Closing"	the closing of the Offering.
"Commercial Unit"	the fifth generation breast computerized tomography imaging unit being designed and developed by the Company which forms a part of the Isotropic Breast Imaging System, owned by the Licensor, the development of which has been licensed to the Company pursuant to the License Agreement.
"Common Shares"	the common shares in the capital of the Company without par value.
"Company"	Izotropic Corporation, a corporation incorporated under the CBCA.
"CT"	computerized tomography, an X-ray technique that provides information about the body's internal organs in two-dimensional slices, or cross-sections.
"Directors" or "Board" or "Board of Directors"	the board of directors of the Company.
"Engagement Letter"	the engagement letter dated May 29, 2017 between the Company and the Agent.

"Escrow Agent"	Odyssey Trust Company.
"Escrow Agreement"	the escrow agreement dated February 13, 2018 among the Company, the Escrow Agent and the holders of the Escrowed Securities.
"Escrowed Securities"	the 9,450,000 Common Shares and non-transferable common share purchase warrants held in escrow pursuant to the Escrow Agreement.
"EU"	European Union.
"Exchange"	the Canadian Securities Exchange.
"FDA"	U.S. Food and Drug Administration.
"**FDCA**"	Federal Food, Drug and Cosmetic Act.
"FTC"	the Federal Trade Commission.
"GMP"	the FDA's Good Manufacturing Practice requirements contained in its QSR.
"GST"	goods and services tax of Canada.
"IFRS"	International Financial Reporting Standards.
"IIC"	Isotropic Imaging Corp., a company incorporated under the laws of the State of Nevada, and a wholly-owned subsidiary of the Company.
"Inventions"	"Breast CT for Early Cancer Detection and Diagnosis", "Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery", and "3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT" as described in the Licensor's Case Numbers 2005-543 (UCSD Case No. 2005-204), 2006-740, and 2015-976, invented by Dr. John M. Boone, Ph.D., et al., employed by UC Davis.
"Isotropic Breast Imaging System"	the commercial breast imaging system, which includes the Commercial Unit, owned by the Licensor, the development of which has been licensed to the Company pursuant to the License Agreement.
"License"	the exclusive license granted by the Licensor to the Company in the Licensed Patent Rights.
"**Licensee**"	the Company and IIC, together, under the License Agreement.
"License Agreement"	the exclusive license agreement for Breast CT for Early Cancer Detection and Diagnosis, Contrast Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery, and 3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT dated April 25, 2017 among the Company, IIC, and the Licensor.
"Licensed Patent Rights"	the Patent Rights for UC Cases numbered 2005-543 and 2015-976 and for the Licensor's undivided interest (but not to Varian's undivided interest) in Patent Rights for UC Case Number 2006-740.
"Licensor"	the Regents for the University of California.
"Listing Date"	the date on which the Common Shares are listed for trading on the Exchange.

"Milestone Patents" The Licensor's rights in the claims in Case Numbers 2006-740 and 2015-976 to be filed by the Licensor with respect to the Inventions "Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery", and "3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT".

"NIH" National Institutes of Health.

"NP 46-201" National Policy 46-201 – *Escrow for Initial Public Offerings*.

"Offering" the offering of a total of 2,000,000 Common Shares at a price of $0.10 per Common Share pursuant to this prospectus.

"Patent Rights" The Licensor's rights in the claims of the following patents and patent applications:

(a) U.S. Provisional Patent Application No. 60/677,704, filed May 3, 2005, entitled "Biopsy Systems for Breast Computed Tomography", developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to the Licensor (UC Case No. 2005-543-1; UCSD Case No. 2005-204-1), now abandoned;

(b) International Patent Application No. PCT/US06/17146, filed May 3, 2006, entitled "Biopsy Systems for Breast Computed Tomography", developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to the Licensor, (UC Case No. 2005-543-1; UCSD Case No. 2005-204-2), now abandoned, application proceeded into national phase;

(c) U.S. Patent Application No. 11/913,494, filed May 3, 2006, entitled "Biopsy Systems for Breast Computed Tomography", developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to the Licensor (UC Case No. 2005-543-2; UCSD Case No. 2005-204-2);

(d) U.S. Patent No. 7,394,889, issued July 1, 2008, from U.S. Patent Application No. 11/437,076, filed May 18, 2006, entitled "Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery", developed by Drs. John M. Boone, et al., and assigned to the Licensor and Varian (UC Case No. 2006-740-1);

(e) U.S. Patent No. 7,660,384, issued February 9, 2010, from U.S. Patent Application No. 12/126,224, filed May 23, 2008, entitled "Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery", developed by Drs. John M. Boone, et al., and assigned to the Licensor and Varian (UC Case No. 2006-740-2);

(f) U.S. Provisional Patent Application No. 62/260,169, filed November 25, 2015, entitled "3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT", developed by Drs. John M. Boone, et al., and assigned to the Licensor (UC Case No. 2015-976-1), now abandoned;

(g) International Patent Application No. PCT/US16/063701, filed November 23, 2016, entitled "3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT", developed by Drs. John M. Boone, et al., and assigned to the Licensor (UC Case No. 2015-976-2); and

(h) continuing applications thereof, including divisions, substitutions, extensions and continuation-in-part applications (only to the extent, however, that claims in the continuation-in-part applications are entitled to the priority filing date of the applicable above-listed parent patent application); patents issuing on said applications or continuing applications; reissues of such patents; and corresponding foreign patents or applications of any of the foregoing.

"**PET**"	positron emission tomography.
"PMA"	pre-market approval of a medical device by the FDA.
"QSR"	the FDA's Quality System Regulation.
"SEDAR"	System for Electronic Document Analysis and Retrieval.
"Stock Option Plan"	the stock option plan adopted by the Directors on June 15, 2017.
"Transfer Agent"	Odyssey Trust Company.
"Transfer Agent Agreement"	the transfer agent and registrar agreement dated January 31, 2018 between the Company and the Transfer Agent.
"UC Davis"	University of California, Davis.
"United States"	the United States of America and its territories and possessions.
"Work Fee"	the work fee of $15,000 + GST in the amount of $750 payable to the Agent, 50% of which was paid upon entry into the Engagement Letter and the balance payable upon closing of the Offering.
"Varian"	Varian Medical Systems Technologies, Inc. and Varian Medical Systems UK Limited.

CURRENCY

All dollar amounts in this prospectus are in Canadian dollars unless otherwise indicated, and all references to $ in this prospectus are to Canadian dollars unless otherwise indicated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its business, requirements for additional capital, limitations of insurance coverage and regulatory matters.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", or "might" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks include, but are not limited to: negative cash flows from operating activities; no production history; the ability of the Company to satisfy the terms of the License Agreement and maintain the License in good standing; the ability of the Company to complete the

design and development of the Commercial Unit, as well as create a physical prototype of the Commercial Unit; the Company's ability to timely obtain and maintain important regulatory approvals for the Commercial Unit; including FDA approval or CE mark approval; the Company's ability to timely secure patents relating to the Licensed Patent Rights; the Company's ability to timely enter into leasing agreements with hospitals and clinics to lease the Isotropic Breast Imaging System; the possible requirement to undergo the PMA process rather than the much shorter and less capital intensive 510(k) process for FDA approval of the Commercial Unit; competition from other research-based imaging companies and organizations that develop proprietary diagnostic and imaging products for breast cancer; changes to government benefit plans in the healthcare industry; product liability claims; the volatility of the Company's Common Shares and current market volatility. See "*Risk Factors*" in this prospectus for a complete list of risks relating to an investment in the Company.

Forward looking statements are based on a number of material factors and assumptions, including the availability and final receipt of required approvals, licenses and permits, and that sufficient working capital is available to complete proposed activities. While the Company considers these assumptions may be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this prospectus. See "*Risk Factors*".

These forward-looking statements are made as of the date of this prospectus. Following Closing of the Offering and listing on the Exchange, the Company intends to discuss in its quarterly and annual reports referred to as the Company's Management's Discussion and Analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in this prospectus. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. The Company will file an amended prospectus if material changes occur between the date of this prospectus and the Closing of the Offering.

Investors are cautioned against placing undue reliance on forward-looking statements.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

Principal Business of the Company:	Izotropic Corporation (previously defined as the "**Company**") was incorporated under the CBCA on May 19, 2016. To date, the Company has been engaged in the commercialization of proprietary diagnostic products for breast cancer. Its business strategy is to complete the commercial development of breast imaging technology for early diagnosis of breast cancer. The Company holds the License under the License Agreement to make, have made, use, offer for sale, import, and sell products and services and to practice processes and methods in the field of human diagnostics and therapeutics in the United States and any other countries where approvals are granted or where Patent Rights may exist in the future with respect to the Licensed Patent Rights. The initial product of the Company that it intends to commercialize is expected to be known as the "Isotropic Breast Imaging System" which includes the Commercial Unit. The Company intends to enter into agreements with hospitals and clinics through IIC to provide the Isotropic Breast Imaging System. See "*Business of the Company*".
Offering:	The Company is offering a total of 2,000,000 Common Shares at a price of $0.10 per Common Share for gross proceeds of $200,000 to the public in each of the provinces of British Columbia, Alberta, and Ontario. The prospectus qualifies the distribution of the Common Shares and the Agent's Option. See "*Plan of Distribution*".
Agent's Commission:	Under the terms of the Agency Agreement, the Company will pay the Agent a cash commission (previously defined as the "**Agent's Commission**") equal to 10% of the total gross proceeds of the Offering. In addition to the Agent's Commission, the Company will issue to the Agent a non- transferable option (previously defined as the "**Agent's Option**") to purchase Common Shares equal to 10% of the aggregate number of Common Shares sold under the Offering at a price of $0.10 per Common Share for a period of 24 months following the Closing. The Company has also agreed to pay to the Agent the Work Fee and pay for all reasonable expenses of the Agent in connection with the Offering. See "*Plan of Distribution*".

Funds Available and Use of Available Proceeds:

The estimated net proceeds of the Offering, after deducting the estimated balance of the expenses of the Offering of $68,750[(1)] and the Agent's Commission of $20,000 will be $111,250. As at April 30, 2018, the Company had working capital of approximately $450,000. Accordingly, the Company anticipates on having available funds of approximately $561,250 following Closing of the Offering. The Company's estimated use of funds for the next twelve months is as follows:

Use of Available Funds	Amount ($)
Fund the Licensor's application for Milestone Patents in United States[(2)]	34,000
Complete the design and development of the Commercial Unit[(3)]	0
Prepare application for FDA or CE approval[(4)]	37,000
Operating expenses for 12 months[(5)]	139,000
Compliance expenses for 12 months[(6)]	150,000
Working capital	201,250
Total	561,250

Notes

(1) The estimated balance of the expenses of the Offering include 50%, of the Work Fee which remains unpaid ($7,875), legal fees ($29,875), the Agent's expenses including its legal fees ($10,000), the balance of the listing fee payable to the Exchange ($11,000), the fees payable to CDS ($5,000), and the fees payable to the Transfer Agent and Escrow Agent ($5,000).

(2) Funding the filing of Milestone Patents in the United States by the Licensor. See "*Business of the Company – Overview of the Business*" and "*Use of Proceeds - Business Objectives and Milestones*".

(3) The Company intends to complete the design and development of the Commercial Unit, but not a physical prototype. All expected costs associated with the design and development of the Commercial Unit have been paid. See "*Business of the Company – Overview of the Business*" and "*Use of Proceeds - Business Objectives and Milestones*".

(4) Consists of costs for annotation and historic documentation collation and to prepare documents in a format required to address application guidelines for FDA 510 (k) approval or CE approval. See "*Business of the Company – Overview of the Business*" and "*Use of Proceeds - Business Objectives and Milestones*".

(5) Estimated operating expenses for the next 12 months include: $54,000 for consulting fees for personnel, including $36,000 for consulting fees to the Chief Executive Officer and $18,000 for consulting fees to the Vice President - Marketing; $43,000 for software development services; $21,500 on general and administrative expenses; $10,000 for insurance coverage, $8,000 for website management, development, and hosting, and $2,500 for travel.

(6) Estimated compliance expenses for the next 12 months include: $25,000 for legal fees, $25,000 for miscellaneous and contingency, $24,000 for accounting, quarterly reports, and MD&A related activities to be performed by a controller, $24,000 for public relations, $22,000 for compliance to be performed by the Chief Financial Officer, $10,000 for Exchange fees, $10,000 for Transfer Agent and Escrow Agent fees, and $10,000 for audit fees.

The Company intends to spend its available funds as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. See "*Use of Proceeds*".

Risk Factors

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to:

Risks Relating to the Company's business:

- negative cash flows from operating activities,
- no production history,
- the ability of the Company to satisfy the terms of the License Agreement and maintain the License in good standing,

	• the ability of the Company to complete the design and development of the Commercial Unit, as well as create a physical prototype of the Commercial Unit, • the Company's ability to timely obtain and maintain important regulatory approvals for the Commercial Unit, including FDA approval or CE mark approval, • the Company's ability to timely secure patents relating to the Licensed Patent Rights, • additional requirements for capital, • the Company's ability to timely enter into leasing agreements with hospitals and clinics to lease the Isotropic Breast Imaging System, • use of funds, • the possible requirement to undergo the PMA process rather than the much shorter and less capital intensive 510(k) process for FDA approval of the Commercial Unit, • competition from other research-based imaging companies and organizations that develop proprietary diagnostic and imaging products for breast cancer, • changes to government benefit plans in the healthcare industry, • the international nature of the Company's business, • technological change, • management of growth, • protection of intellectual property, and • product liability claims. *Risks Relating to the Company's management:* • conflicts of interest, and • the Company's future performance is dependent on its management team. *Risks Relating to the Common Shares:* • substantial number of authorized but unissued Common Shares, • dilution, • the lack of market through which the Common Shares may be sold, • the Common Shares are illiquid and shareholders may be unable to sell their Common Shares, • the volatility of the Company's Common Shares, and • current market volatility. See "*Risk Factors*".

Selected Financial Information

The following table summarizes selected financial information for the period from inception on May 19, 2016 to April 30, 2017 and for the nine months ended January 31, 2018 and should be read in conjunction with the audited consolidated financial statements as at and for the period from inception on May 19, 2016 to April 30, 2017 and the unaudited condensed consolidated interim financial statements for the nine months ended January 31, 2018. See "*Management's Discussion and Analysis*" and "*Financial Statements*", as included elsewhere in this prospectus**:**

	For the nine months ended January 31, 2018 (Unaudited) ($)	**For the period from May 19, 2016 to April 30, 2017 (Audited) ($)**
Revenue	Nil	Nil
Total Expenses	575,016	98,319
Other income	Nil	Nil
Net Loss	575,016	98,319
Basic and Diluted Loss per Share	0.04	98,319

	As at January 31, 2018 (Unaudited) ($)	**As at April 30, 2017 (Audited) ($)**
Current Assets	588,129	149,688
Total Assets	603,357	149,688
Current Liabilities	34,004	214,359
Total Liabilities	34,004	214,359
Total Shareholders' Equity (Deficiency)	569,353	(64,671)

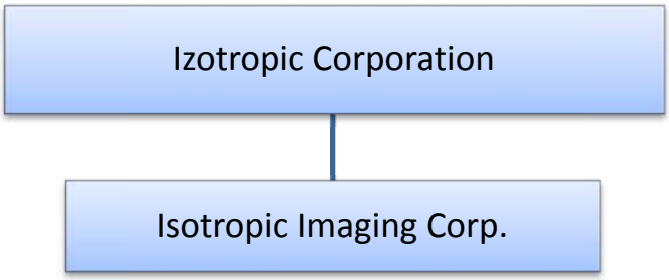
CORPORATE STRUCTURE

The Company was incorporated under the CBCA on May 19, 2016 with the name "Izotropic Corporation" and is extra provincially registered in British Columbia.

The Company's head office is located at 15718 39A Ave, Surrey, B.C. V3Z 0L1 and its registered office is located at 15718 39A Ave, Surrey, B.C. V3Z 0L1.

The Company has one wholly-owned subsidiary: Isotropic Imaging Corp., a company incorporated under the laws of the State of Nevada (previously defined as "**IIC**") and having its head office and registered office at 15718 39A Ave, Surrey, B.C. V3Z 0L1.

The diagram below describes the inter-corporate relationship between the Company and IIC:



BUSINESS OF THE COMPANY

Summary

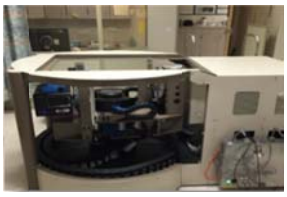
The Company is engaged in the development and commercialization of the "Isotropic Breast Imaging System" for application in proprietary diagnostic products for breast cancer to address the demand by the breast imaging medical community for a cost-effective, true 3-D breast imaging technology that improves patient comfort and delivers high diagnostic accuracy. The Company does not currently generate revenue. The technology is supported by two existing patents and five pending patents, which comprise the Licensed Patent Rights.

Overview of the Business

The Company is engaged in the development and commercialization of proprietary diagnostic products for breast cancer. Its business strategy is to complete the development of breast imaging technology for early diagnosis of breast cancer and commercialize the Isotropic Breast Imaging System through usage-based agreements with hospitals and clinics. The Company's entire rights to the technology are based upon the License granted by the Licensor pursuant to the License Agreement. The Company holds the exclusive License to the inventions entitled "Breast CT for Early Cancer Detection and Diagnosis", "Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery", and "3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT" (previously defined as the "**Inventions**") as described in the Licensed Patent Rights. The initial product of the Company that it intends to commercialize is expected to be known as the "Isotropic Breast Imaging System" and will include the fifth-generation breast CT imaging unit, previously defined as the Commercial Unit. As described below under "*Business of the Company - The Commercial Unit*", the Company intends to enter into an agreement with a major medical equipment leasing company that would provide 100% of the capital required to build the Commercial Units to finance the construction of Commercial Units for market. After final development and regulatory approval, the Company intends to enter into lease agreements with hospitals and clinics through IIC to provide the Isotropic Breast Imaging System to commercialize the Company's technologies.

History of the Isotropic Breast Imaging System

Since 2001, over US$19 million in research funding from the National Institutes of Health (previously defined as the "**NIH**") and other grant sources has been invested developing, building, and testing four successive generations of the Isotropic Breast Imaging System by researchers at UC Davis. The four prototypes developed to date are described in the table below:

Prototype	Status	Description
Albion 	Completed in 2004.	Albion was used to acquire a large number of initial cases, both with and without contrast injection.
Bodega 	Completed in 2007.	Bodega was similar to Albion except that it had a slightly more powerful X-ray tube and the gantry was larger, allowing placement of a positron-emission tomography (PET) system. This scanner produced the first dedicated breast PET/CT scans in humans.
Cambria 	Completed in 2012.	Cambria had an open design, requiring no shielding around the scanner. This scanner provided additional cases to the breast CT image database compiled by researchers at UC Davis.
Doheny 	Completed in 2014.	Doheny is the current breast CT scanner in the laboratory at UC Davis. It has higher spatial resolution than all previous models and serves as the basis for the Commercial Unit. This scanner is currently being used for final clinical testing in humans under NIH funding, and the imaging hardware for this is the basis for the Isotropic Breast Imaging System. Doheny also has positron emission tomography ("**PET**") capabilities for research, however, PET will not be a part of the Commercial Unit, at least initially as PET technology adds significant cost without providing measurable advantage to the system's screening detection capabilities. This breast CT imaging system utilizes a full 360-degree rotation around the breast to acquire approximately 500 images in approximately 10 seconds. Using custom reconstruction software, the system creates a full 3-D reconstruction of the breast, with volume elements (voxels) on the order of 0.25 mm x 0.23 mm x 0.23 mm. Each breast CT image is over a million pixels in size, and each breast, depending on length, uses about 500 images, for a total of a half billion voxels per breast. Engineers, physicists, radiologists and other researchers at UC Davis continue to work on design aspects of the Doheny system, including the breast positioning design, tabletop, positioning aids, specialized X-ray beam shaping filters, and many

Prototype	Status	Description
		other subtleties to improve the scanner's clinical performance.

Clinical Trials

Researchers at UC Davis have invested significant time to develop the technology behind the Isotropic Breast Imaging System and have undertaken clinical trials. UC Davis, in cooperation with the University of Pittsburgh Medical Center, conducted trials on 600 high risk breast cancer patients using the second generation CT imaging/scanning unit, named Bodega, which was completed in 2007. Researchers at UC Davis reviewed the results of those trials and further enhancements resulted in the third and fourth generation CT imaging/scanning units, Cambria and Doheny, respectively, being developed by engineers and physicists at UC Davis. A second clinical trial of 400 high risk female breast cancer patients is currently underway at UC Davis Medical Center and is fully funded through a US$2.9 million grant made by the NIH, and expects to compare both screening and diagnostic aspects of breast CT imaging systems. As of the date of this prospectus, approximately 100 patients have entered into the new trial.

Research to date includes thousands of images taken on hundreds of patients using the earlier versions of the Isotropic Breast Imaging System. Based on the results of these images, among other factors, the Company's management believes that the Company's technology is superior to the current standard-of-care mammography for early diagnosis of breast cancer in women.

These studies of the Isotropic Breast Imaging System scanner's technical performance and computer simulation of breast lesion (abnormalities) detection using the extensive breast image database–with human observer validation of simulation results—have demonstrated that breast CT may outperform mammography-like breast imaging for detecting tumor masses and other lesions. In studies where X-ray dye was used during the procedure (similar to contrast enhancement in magnetic resonance imaging of the breast), high detection performance was achieved in all types of breast lesions. It is likely that contrast-enhanced breast CT has very similar cancer detection performance as contrast-enhanced breast MRI, but at a fraction of the cost. Furthermore, the Isotropic Breast Imaging System requires about 20 percent of the floor space needed for an MRI system, making it an appealing option for space-constrained facilities.

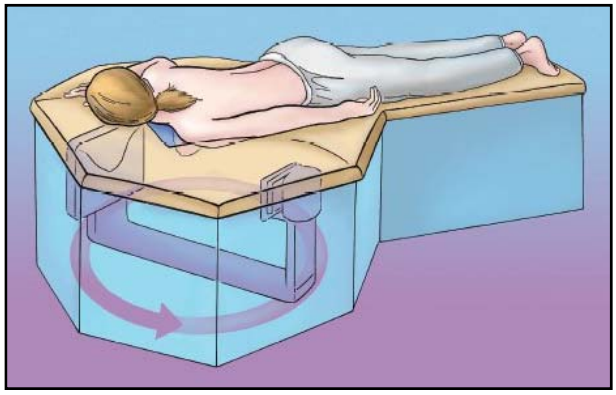
Technology

No true 3-D breast imaging technology is currently available in the breast imaging market. Both traditional digital mammography and digital tomosynthesis, which is sometimes marketed as 3-D mammography, are two-dimensional imaging technologies. The Isotropic Breast Imaging System is different than these two technologies as it delivers true 3-D images.

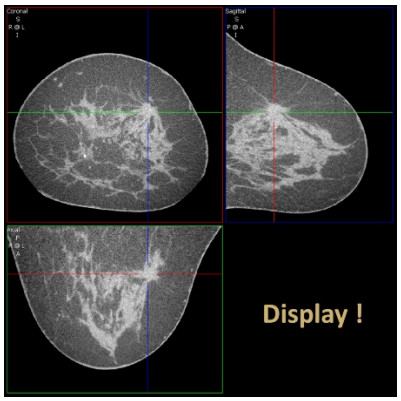
The Isotropic Breast Imaging System is also different than widely available whole-body computed tomography systems that circle a patient's body to collect images of interest. Instead, the Isotropic Breast Imaging System makes use of cone-beam computed tomography technology to scan only the breast of interest.

In the Isotropic Breast Imaging System, the patient lays face down on the system table placing the breast to be imaged in a hole in the table. The imaging hardware beneath the table circles around the breast creating a series of raw-data images. These raw images are processed by a computer to reconstruct true three-dimensional images of the breast. The radiologist can view the high-resolution 3-D images at any angle, but typically looks at the images from three normal viewing planes.

In addition to producing two-dimensional images, traditional mammography and tomosynthesis are lengthy processes requiring painful breast compression and technicians repeated handling of the patient's breast. The Isotropic Breast Imaging System requires no handling or compression, and captures images in approximately ten seconds. These benefits are especially important for patients with painful, inflammatory breast disease and patients with breast implants, for which mammography and tomosynthesis may provide diminished diagnostic accuracy.



For breast CT, the patient lies on the table while the imaging hardware rotates around the breast under the table. No breast compression is needed, and total scan time is approximately 10 seconds.



High-resolution 3-D breast images are produced, allowing radiologists a view of the breast anatomy unhindered by structures that can obscure a tumor.

The Commercial Unit

Working with a collaborative team of inventors, engineers, and clinicians, the Company plans to complete the design and development of the Commercial Unit by the end of July 2018. This collaboration will support the design and development of the Commercial Unit, enabling further technical improvement and facilitating additional clinical studies. The Commercial Unit draws on over sixteen years of research and development by inventors Dr. John Boone, professor and medical physicist at UC Davis and a director of the Company, and Dr. Thomas R. Nelson, along with many graduate students and senior academic collaborators.

Engineering of the Commercial Unit is ongoing. Many of the features of the four previous prototypes were specifically designed for the research environment, and are not necessary for a commercial system. For example, there is an interchangeable filter wheel on the Doheny scanner that is not needed, and the X-ray tube does not need to translate vertically. For the initial implementation of the Isotropic Breast Imaging System in commercial applications, positron emission tomography (PET) technology is also unnecessary. PET technology adds significant cost without providing measurable advantage to the system's screening detection capabilities. It was included in the four previous prototypes as part of the research effort, and may be offered in a future model designed for large institutions who want to use PET to track breast cancer treatment response. Other design considerations, such as manufacturability, transportability, aesthetics, and access to components for maintenance are also being factored into the commercial design plan of the Commercial Unit.

The costs for completing the design and development of the Commercial Unit of $118,000 have already been paid and are for costs associated with designing the Commercial Unit under Good Manufacturing Practice and International Organization for Standardization standards, establishing quality assurance protocols and prepping for manufacturing. The estimated cost of completing an actual prototype of the Commercial Unit is approximately US$600,000 for one-off components, housing, electrical and electronic components and constructing the Commercial Unit with required engineering specifications.

The cost of additional Commercial Units is expected to be substantially reduced in the volume production phase. The Company has an expression of interest and relationship with a major medical equipment leasing company that would provide 100% of the capital required to build Commercial Units for market use in exchange for an approved customer credit application.

Business Model

The Company does not intend to sell the Isotropic Breast Imaging System outright and will not rely on equipment sales for revenue. Instead, the Company intends to focus on building a recurring revenue model under usage-based agreements

between its wholly-owned subsidiary IIC and hospitals and clinics. This business model reduces upfront capital costs for the target market, which is expected to increase the rate of market penetration. The Company intends to enter into revenue-sharing agreements with customers, with minimum guarantees. As described above under "*Business of the Company - The Commercial Unit*", the Company intends to enter into an agreement with a major medical equipment leasing company that would provide 100% of the capital required to build the Commercial Units to finance the construction of Commercial Units for market.

Technical Performance Comparison Table

Compared to present technologies in the marketplace, the Company's technology is one of two solutions that have all the following key attributes as shown in the table below:

	Isotropic	Mammography	Tomosynthesis	Magnetic Resonance Imaging	Ultrasound	Breast-Specific Gamma Imaging
True 3-D	✓		✓	✓	✓	
No compression	✓		✓	✓	✓	✓
Low radiation dose	✓	✓	✓	✓	✓	
Not claustrophobic	✓	✓	✓		✓	✓
Sensitivity	✓	✓	✓	✓	?	✓
Specificity	✓	✓	✓	✓	?	✓

The License Agreement

On April 25, 2017, the Company and IIC (previously defined as the "**Licensee**") entered into the License Agreement with the Licensor, which granted the Licensee an exclusive license to the Licensed Patent Rights. In consideration for the License, the Licensee agreed to pay the Licensor:

- a cash payment of US$10,000 due within 30 days from entry into the License Agreement (subsequently paid);
- a cash payment of US$200,000 due within 30 days of the following:
    - a change of control transaction (previously defined as a "**Change of Control**"), which means the acquisition, merger, reorganization or other transactions where more than 50% of the voting power of the Company or IIC is transferred to a third party, and,
    - a financing of the Company whereby either the Company or IIC issues of debt or equity securities of the Company or IIC, as the case may be, in one or more bona fide financing transactions with cumulative gross proceeds of at least US$3,000,000, excluding the conversion of any convertible debt and in which the cumulative gross proceeds to be received by either the Company or IIC, as the case may be, are principally from venture capital, private equity, or similar types of investors;

- a cash payment of 2% of total consideration received by the Company or IIC within 30 days of the completion of a Change of Control;

- 3% of net sales from the sales of all products produced by the Licensee in connection with the License Agreement and sold by the Company in the United States;

- 3% of net sales from the sale of the first 15 commercial sales of all products produced by the Licensee in connection with the License Agreement in any other country excluding the United States; and

- 1% royalty of net sales of all methods and services sold by the Licensee in connection with the License Agreement.

Under the License Agreement, the Licensee may grant a sublicense to affiliates of the Company or IIC, or to third parties. The License Agreement sets out certain conditions that will apply to any grant of a sublicense. The Licensee has agreed to pay the Licensor 25% of any cash consideration, or the cash equivalent of any other form of consideration, due to the Licensee for the grant of rights under a sublicense.

Under the License Agreement, the Licensee is obligated to further development, manufacture, marketing and sale of products, methods, and services offered by the Licensee in connection with the License Agreement in quantities sufficient to meet the market demand. Under the License Agreement, the Licensee is obligated to complete the following milestones (each, a "**License Agreement Milestone**"):

- submit an application covering a product or service to be offered by the Licensee in connection with the License Agreement to the FDA or equivalent foreign agency by June 30, 2018;

- obtain FDA or equivalent foreign agency approval by December 31, 2021; and,

- achieve the first commercial sale and fill the market demand of products or services to be offered by the Licensee under the License Agreement in the United States by June 30, 2022.

If the Licensee is unable to meet any of the above License Agreement Milestones, the Licensee has the right to extend the target date of any License Agreement Milestone for a period of twelve months upon the payment of US$10,000 to the Licensor. The Licensee has a further right to extend the target date of any License Agreement Milestone for an additional 12 months upon a payment of US$15,000 to the Licensor. Under the License Agreement, the total period of time to complete any License Agreement Milestone must not exceed seven years from the date of the License Agreement, unless the parties mutually agree in writing otherwise. If the Licensee does not complete a License Agreement Milestone, and does not opt to extend the period to complete the License Agreement Milestone, or opts to extend the period to complete the License Agreement Milestone and does not complete the License Agreement within the extended time period, then the Licensor has the right to terminate the License Agreement, or reduce the Licensee's exclusive License to a non-exclusive license. The Licensor may also terminate the License Agreement under certain other conditions.

Under the License Agreement, the Licensor is responsible for all patent prosecution in connection with the Licensed Patent Rights. However, the Licensee has agreed to pay (or reimburse, as the case may be) the Licensor, for all past, present, and future costs for preparing, filing, prosecuting, and maintaining all patent applications and patent under the Patent Rights. With regard to past patent costs, the Licensee is obligated to pay the Licensor the sum of US$79,871.80 (the "**Past Patent Costs**") in accordance with the following schedule:

- one-third of the Past Patent Costs due on or before April 25, 2018 (paid);

- one-third of the Past Patent Costs due on or before April 25, 2019; and

- one-third of the Past Patent Costs due on or before April 25, 2020.

If the Licensee learns of the substantial infringement of any Patent Rights, the Licensee will promptly provide the Licensor with notice and reasonable evidence of such infringement (the "**Infringement Notice**"). The Licensor and the Licensee

agree to use diligent efforts, in cooperation with each other, to terminate such infringement without litigation. If, after ninety days following the effective date of the Infringement Notice, the infringing activity has not abated, the Licensee may initiate suit for patent infringement against the infringer. If, in a suit initiated by the Licensee, the Licensor is involuntarily caused to be joined as a party, the Licensee agrees to pay any costs incurred by the Licensor arising out of such suit, including any legal fees of legal counsel of the Licensor. If, within 120 days of the effective date of an Infringement Notice, the infringing activity has not abated and if Licensee has not initiated a suit against the infringer, then Licensor may initiate suit for patent infringement against the infringer and the Licensee may not join such suit without the consent of the Licensor.

Under the License Agreement, the Licensee agrees to, and will require any sublicensees to, indemnify, hold harmless, and defend the Licensor and its officers, employees, and agents; sponsors of the research that led to the Inventions; and the inventors of any patents and patent applications under the Patent Rights and their employers, against any and all claims, suits suits, losses, damages, costs, fees, and expenses resulting from or arising out of exercise of the License or any sublicense. This indemnification will include, but not be limited to, any product liability. The Licensee, and any sublicensee, is required to maintain insurance prior to the Licensee's or sublicensee's first use of a product, service, or method created in connection with the License Agreement in humans including clinical trials, as commercial form general liability insurance, with limits as follows:

- Each Occurrence $500,000
- Products/Completed Operations Aggregate $1,000,000
- Personal and Advertising Injury $500,000
- General Aggregate $1,000,000

The Licensee, and any sublicensee, is required to maintain insurance upon the Licensee's or sublicensee's first use of a product, service, or method created in connection with the License Agreement in humans including clinical trials, as commercial form general liability insurance, with limits as follows:

- Each Occurrence $5,000,000
- Products/Completed Operations Aggregate $10,000,000
- Personal and Advertising Injury $5,000,000
- General Aggregate $10,000,000

See the License Agreement, attached hereto as Appendix "C".

Licensed Patent Rights

Under the License Agreement, the Company was granted the License to the Licensed Patent Rights from the Licensor. One of the patent-pending applications, known as UC Case 2005-543 and which relates to the Invention named "Breast CT for Early Cancer Detection and Diagnosis" under the Licensed Patent Rights was split into five groups by the U.S. Patent and Trademark Office (the "**USPTO**"). Each patent application submitted to the USPTO goes through a prosecution process. To date only one of the five groups of the Licensed Patent Rights has been prosecuted. Currently, two other groups, the Milestone Patents, which are included in the Licensed Patent Rights, are being prosecuted by the Licensor with funding provided by the Company. One group, known as UC Case 2006-740-1 and 2006-740-2, and which relates to the Invention named "Contrast Enhanced Cone Beam X-ray Imaging, Evaluation, Monitoring and Treatment Delivery" under the Licensed Patent Rights describes novel methods for using the breast CT data sets to evaluate and quantify breast density. Breast density has been identified as an important characteristic that can be included in a patient risk profile, which can be used in designing a personalized breast cancer screening program. Another licensed patent-pending application under the Licensed Patent Rights, known as UC Case 2015-976 and which relates to the Invention named "3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT" involves a three-dimensional beam shaping filter to optimize image quality and radiation dose. This system also involves a breast immobilization technology, which does not involve breast compression. The immobilization technology may greatly increase patient comfort while maintaining the breast in the most optimal position for imaging. The table below further describes the Inventions:

UC Case No.	Title	Patent Status	Issued Patent Number or Application Number	Issued or Filed on Date	Notes
2005-543	Breast CT for Early Cancer Detection and Diagnosis	Under prosecution	Application No. 11/913,494	Filed on May 3, 2006	Under prosecution
2006-740-1	Contrast Enhanced Cone Beam X-ray Imaging, Evaluation, Monitoring and Treatment Delivery	Patent Issued	United States Patent No. 7,394,889	Issued on July 1, 2008	United States patent issued
2006-740-2		Patent Issued	United States Patent No. 7,660,384	Issued on February 9, 2010	United States patent issued
2015-976	3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT	Non-Provisional Application	Provisional patent application No. 62/260, 169	Filed on November 25, 2015 and subsequently converted to non-provisional prior to November 25, 2016	Non-provisional patent application

Government Regulations

The Company anticipates that the Commercial Unit will be subject to extensive and rigorous regulation by the FDA and other countries or regions in which the Company markets the Isotropic Breast Imaging System.

United States

The FDA regulates the development, testing, manufacturing, labeling, storage, recordkeeping, promotion, marketing, distribution, and service of medical devices in the United States to ensure that medical products distributed domestically are safe and effective for their intended uses. In addition, the FDA regulates the export of medical devices manufactured in the United States to international markets and the importation of medical devices manufactured abroad.

Unless an exemption applies, each new or significantly modified medical device the Company seeks to commercially distribute in the United States will require either a premarket notification to the FDA requesting permission for commercial distribution under Section 510(k) of the Federal Food, Drug and Cosmetic Act, (the "**FDCA**"), also referred to as a 510(k) clearance, or approval from the FDA of a pre-market approval (**"PMA"**) application. Both the 510(k) clearance and PMA processes can be expensive, and lengthy, and require payment of significant user fees, unless an exemption is available.

Under the FDCA, medical devices are classified into one of three classes—Class I, Class II or Class III—depending on the degree of risk associated with each medical device and the extent of control needed to provide reasonable assurances with respect to safety and effectiveness.

Class I devices are those for which safety and effectiveness can be reasonably assured by adherence to a set of regulations, referred to as "General Controls", which require compliance with the applicable portions of the FDA's Quality System Regulation, or QSR, facility registration and product listing, reporting of adverse events and malfunctions, and appropriate, truthful and non-misleading labeling and promotional materials. Some Class I devices, also called Class I reserved devices, also require premarket clearance by the FDA through the 510(k) premarket notification process described below. Most Class I products are exempt from the premarket notification requirements.

Class II devices are those that are subject to the General Controls, as well as "Special Controls", which can include performance standards, guidelines and postmarket surveillance. Most Class II devices are subject to premarket review and clearance by the FDA. Premarket review and clearance by the FDA for Class II devices is accomplished through the 510(k) premarket notification process. Under the 510(k) process, the manufacturer must submit to the FDA a premarket notification, demonstrating that the device is "substantially equivalent," as defined in the statute, to either:

- a device that was legally marketed prior to May 28, 1976, the date upon which the Medical Device Amendments of 1976 were enacted, or

- another commercially available, similar device that was cleared through the 510(k) process.

To be "substantially equivalent," the proposed device must have the same intended use as the predicate device, and either have the same technological characteristics as the predicate device or have different technological characteristics and not raise different questions of safety or effectiveness than the predicate device. Clinical data is sometimes required to support substantial equivalence.

After a 510(k) notice is submitted, the FDA determines whether to accept it for substantive review. If it lacks necessary information for substantive review, the FDA will refuse to accept the 510(k) notification. If it is accepted for filing, the FDA begins a substantive review. By statute, the FDA is required to complete its review of a 510(k) notification within 90 days of receiving the 510(k) notification. As a practical matter, clearance often takes longer, and clearance is never assured. Although many 510(k) premarket notifications are cleared without clinical data, the FDA may require further information, including clinical data, to make a determination regarding substantial equivalence, which may significantly prolong the review process. If the FDA agrees that the device is substantially equivalent, it will grant clearance to commercially market the device.

After a device receives 510(k) clearance, any modification that could significantly affect its safety or effectiveness, or that would constitute a new or major change in its intended use, would require a new 510(k) clearance or, depending on the modification, could require a PMA application. The FDA requires each manufacturer to make this determination initially, but the FDA can review any such decision and can disagree with a manufacturer's determination. If the FDA disagrees with a manufacturer's determination regarding whether a new premarket submission is required for the modification of an existing device, the FDA can require the manufacturer to cease marketing and/or recall the modified device until 510(k) clearance or approval of a PMA application is obtained. If the FDA requires the Company to seek 510(k) clearance or approval of a PMA application for any modifications to a previously cleared product, such as the Commercial Unit, the Company may be required to cease marketing or recall the modified device until the Company obtains this clearance or approval. In addition, in these circumstances, the Company may be subject to significant regulatory fines or penalties for failure to submit the requisite PMA application(s). In addition, the FDA is currently evaluating the 510(k) process and may make substantial changes to industry requirements.

If the FDA determines that the device is not "substantially equivalent" to a predicate device, or if the device is automatically classified into Class III, the device sponsor must then fulfill the much more rigorous premarketing requirements of the PMA approval process, or seek reclassification of the device through the de novo process. Pursuant to amendments to the statute in 2012, a manufacturer can also submit a petition for direct de novo review if the manufacturer is unable to identify an appropriate predicate device and the new device or new use of the device presents a moderate or low risk. At this time, the Company's management expects that the Commercial Unit will be classified as Class I device and that the Company will be permitted to submit an application for 510(k) clearance.

Class III devices include devices deemed by the FDA to pose the greatest risk such as life-supporting or life-sustaining devices, or implantable devices, in addition to those deemed not substantially equivalent following the 510(k) process. The safety and effectiveness of Class III devices cannot be reasonably assured solely by the General Controls and Special Controls described above. Therefore, these devices are subject to the PMA application process, which is generally more costly and time consuming than the 510(k) process. Through the PMA application process, the applicant must submit data and information demonstrating reasonable assurance of the safety and effectiveness of the device for its intended use to the FDA's satisfaction. Accordingly, a PMA application typically includes, but is not limited to, extensive technical information regarding device design and development, pre-clinical and clinical trial data, manufacturing information, labeling and financial disclosure information for the clinical investigators in device studies. The PMA application must provide valid scientific evidence that demonstrates to the FDA's satisfaction reasonable assurance of the safety and effectiveness of the device for its intended use.

In addition, after a device is placed on the market, numerous FDA and other regulatory requirements continue to apply. These include establishment registration and device listing with the FDA; compliance with medical device reporting

regulations, which require that manufacturers report to the FDA if their device may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if it were to recur; and compliance with corrections and removal reporting regulations, which require that manufacturers report to the FDA field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present a risk to health. The FDA and the Federal Trade Commission (**"FTC"**) also regulate the advertising and promotion of the Company's products to ensure that the claims the Company may make are consistent with the Company's regulatory clearances, that there is scientific data to substantiate the claims and that the Company's advertising is neither false nor misleading. In general, the Company may not promote or advertise its products for uses not within the scope of the Company's intended use statement in the Company's clearances or make unsupported safety and effectiveness claims. Many regulatory jurisdictions outside of the United States have similar regulations to which the Company is subject.

The Company's manufacturing processes are required to comply with the FDA's Good Manufacturing Practice (**"GMP"**) requirements contained in its Quality System Regulation (**"QSR"**) and associated regulations and guidance. The QSR covers, among other things, the methods used in, and the facilities and controls used for, the design, manufacture, packaging, labeling, storage, installation, and servicing of all medical devices intended for human use. The QSR also requires maintenance of extensive records which demonstrate compliance with FDA regulation, the manufacturer's own procedures, specifications and testing as well as distribution and postmarket experience. Compliance with the QSR is necessary to receive FDA clearance or approval to market new products and is necessary for a manufacturer to be able to continue to market cleared or approved product offerings in the United States. A company's facilities, records, and manufacturing processes are subject to periodic scheduled or unscheduled inspections by the FDA, which may issue reports known as Forms FDA 483 or Notices of Inspectional Observations which list instances where the FDA inspector believes the manufacturer has failed to comply with applicable regulations and/or procedures. If the observations are sufficiently serious or the manufacturer fails to respond appropriately, the FDA may issue a "Warning Letter", or "Untitled Letter", which are notices of intended enforcement actions against the manufacturer. If a Warning Letter or Untitled Letter is not addressed to the satisfaction of the FDA, or if the FDA becomes aware of any other serious issue with a manufacturer's products or facilities, it could result in fines, injunctions, civil penalties, delays, suspension or withdrawal of clearances, seizures or recalls of products, operating restrictions, total shutdown of production facilities, prohibition on export or import and criminal prosecution. Such actions may have further indirect consequences for the manufacturer outside of the United States, and may adversely affect the reputation of the manufacturer and the product. In the United States, routine FDA inspections usually occur every two years, and may occur more often for cause.

To a greater or lesser extent, most other countries require some form of quality system and regulatory compliance, which may include periodic inspections, inspections by third party auditors, and specialized documentation. Failure to meet all the requirements of these countries could jeopardize the Company's ability to import, market, support and receive reimbursement for the use of the Isotropic Breast Imaging System and the Commercial Unit in these countries.

Products manufactured outside the United States by or for the Company are subject to United States Customs and FDA inspection upon entry into the United States. The Company must demonstrate compliance of such products to regulations in the United States and carefully document the eventual distribution or re-exportation of such products. Failure to comply with all applicable regulations could prevent the Company from having access to products or components critical to the manufacture of finished products and lead to shortages and delays.

Foreign Regulation

In order for the Company to market the Isotropic Breast Imaging System and the Commercial Unit in other countries, the Company must obtain regulatory approvals and comply with extensive product and quality system regulations in other countries. These regulations, including the requirements for approvals or clearance and the time required for regulatory review, vary from country to country. Some countries have regulatory review processes which are substantially longer than processes in the United States. Failure to obtain regulatory approval in a timely manner and to meet all local requirements including language and specific safety standards in any foreign country in which the Company plans to market its products could prevent the Company from marketing products in such countries or subject the Company to sanctions and fines.

Commercialization of medical devices in Europe is regulated by the European Union (previously defined as the "**EU**"). Similar to the United States, the EU recognizes different class of medical devices. The EU recognizes Class I, Class IIa, Class IIb or Class III medical devices, with the classification determination depending on the amount of potential risk to the patient associated with use of the medical device. Classification involves rules found in the EU's Medical Device Directive. Key questions of relevance include the degree of the device's contact with the patient, invasiveness, active nature, and indications for use. The medical device classes recognized in the EU are as follows:

- Class I, which are considered low risk devices, such as wheelchairs and stethoscopes, and require pre-market notification prior to placing the devices onto the EU market;

- Class IIa, which are considered low-medium risk devices and require certification by a Notified Body (which is a private commercial entity designated by the national government of an EU member state as being competent to make independent judgments about whether a medical device complies with applicable regulatory requirements);

- Class IIb, which are considered medium-high risk devices and require certification by a Notified Body; and

- Class III, which are considered high-risk devices and require certification by a Notified Body.

The Company's management anticipates that the Commercial Unit would be classified as a Class IIa medical device based on the EU's medical device classes.

The EU presently requires that all medical products bear the Conformité Européenne (previously defined as the "**CE**") mark, for compliance with the Medical Device Directive (93/42/EEC) as amended. The CE mark is an international symbol of adherence to certain essential principles of safety and performance mandated in applicable European medical device directives, which once affixed, enables a product to be sold in member countries of the EU and those affiliated which accept the CE mark. The CE mark is also recognized in many countries outside of the EU, such as Australia, and can assist in the clearance process. In order to affix the CE mark on products, a recognized European Notified Body must certify a manufacturer's quality system and design dossier for compliance with international and European requirements.

If the Company modifies the Commercial Unit or develops new products in the future, the Company may need to apply for authorization to affix the CE mark to such products. The Company does not know whether it will be able to obtain authorization to affix the CE mark for new or modified products or whether it will continue to meet the safety and performance standards required to maintain the authorizations the Company may have already received. If the Company is unable to maintain authorizations to affix the CE mark to its products, the Company will no longer be able to sell its products in member countries of the EU or those whose marketing authorizations are based on the CE mark.

Regulations in other countries, including the requirements for approvals or clearance and the time required for regulatory review, vary from country to country. Certain countries have their own regulatory agencies. These regulations typically require regulatory approvals and compliance with extensive safety and quality system regulations. Failure to obtain regulatory approval in any foreign country in which the Company plans to market the Isotropic Breast Imaging System, or failure to comply with any regulation in any foreign country in which the Company markets the Isotropic Breast Imaging System, may negatively impact the Company's ability to generate revenue and harm its business. In addition, local regulations may apply which govern the use of the Company's products and which could have an adverse effect on the Company's product utilization if they are unfavorable. All such regulations are revised from time to time and in general are increasing in complexity, and in the scope and degree of documentation and testing required. There can be no assurance the outcomes from such documentation and testing will be acceptable to any particular regulatory agency or will continue to be acceptable over time. There are further regulations governing the importation, marketing, sale, distribution, use and service as well as the removal and disposal of medical devices. Failure to comply with any of these regulations could result in sanctions, fines and prevent the Company from marketing its products in these regions.

Other Healthcare Laws

The Company may also be subject to federal and state healthcare laws and regulations pertaining to fraud and abuse, physician payment transparency and privacy and security laws and regulations. If the Company's operations are found to

violate any of the laws described above or any other laws and regulations that apply to the Company, it may be subject to penalties, including civil and criminal penalties, damages, fines, the curtailment or restructuring of the Company's operations, the exclusion from participation in federal and state healthcare programs and imprisonment, any of which could adversely affect the Company's ability to market its products and materially adversely affect the Company's business, results of operations and financial condition. Any action against the Company for violation of these laws, even if the Company successfully defends against it, could cause the Company to incur significant legal expenses and divert the Company's management's attention from the operation of its business.

The Company's pathway to approval in the United States and the European Union

The Company is working with regulatory consultants to determine regulatory pathways in the United States and in Europe. The Company is in the process of determining which pathway the FDA will require for the Commercial Unit: premarket approval or 510(k) approval process. A 510k approval process would be less expensive and would provide for a shorter time to market. If the Company is unable to qualify the review of the Commercial Unit under a 510(k) approval process, the Company may initially forego FDA approval and instead seek CE mark approval.

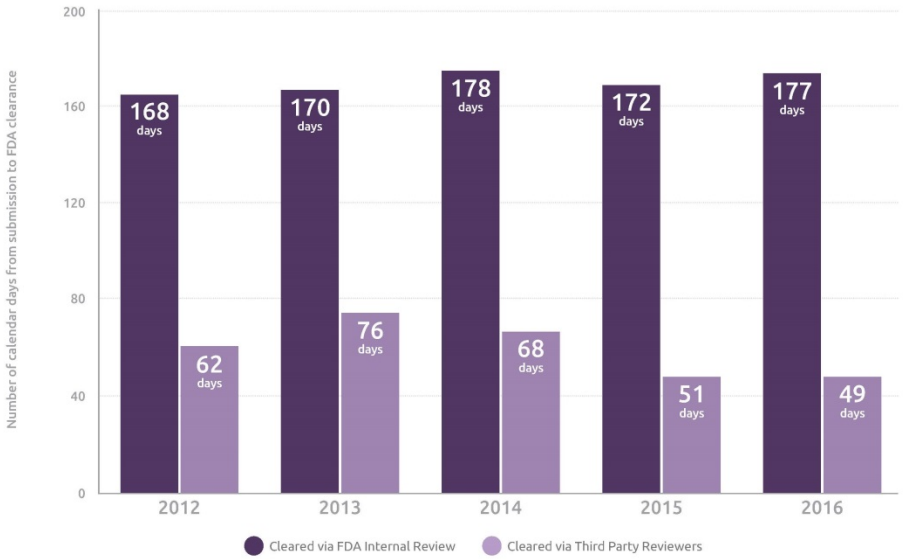
The PMA process is estimated to take up to 24 months at a cost of up to approximately US$2 million. Despite the longer time and greater cost, there is a distinct advantage to seeking PMA, as it is a higher approval process that would facilitate faster approvals outside the United States and medical insurers in the United States do not dispute costs associated with a technology that has FDA clearance through PMA. In the event the Company elects to undertake the PMA process, it may seek an industry partner to fund associated costs in exchange for select marketing rights, or the Company may conduct a financing sufficient to fund PMA when and if elected.

CE mark in Europe

Under the License Agreement, the Company is not obligated to obtain FDA approval by a particular date in order to maintain its License. The Company has the option of seeking FDA approval or equivalent foreign agency approval. Accordingly, the Company may elect to pursue a CE mark in the European Union, which is the standard approval process in countries in the European Union and in similar formats for most countries outside the United States. Obtaining a CE mark is an attractive option as the cost is nominal compared to the PMA process, the approval process is shorter and obtaining a CE mark clears a path to international markets. The Company may also pursue a CE mark in the future even if it has obtained FDA approval for the Commercial Unit.

Timelines for FDA approval under a traditional 510(k) approval process

Between 2012 and 2016 the average time for manufacturers to receive FDA marketing clearance under a traditional 510(k) application was approximately 173 days from the date of the initial application. As researchers at UC Davis have completed the first-round clinical study on earlier versions of the Isotropic Breast Imaging System, at this time the Company's management believes the Company may qualify to file for FDA approval under a 510(k) application, rather than the more lengthy PMA process. The table on the following page shows the average time for FDA marketing clearance under a traditional 510(k) approval process from 2012 to 2016, according to the report by Emergo titled "How long it takes the US FDA to clear medical devices via the 510(k) process", published in March 2017.



Upon completion of the design and development of the Commercial Unit, the Company intends to correspond with the FDA to determine whether the Isotropic Breast Imaging System will require 510(k) or PMA approval. The Company's management anticipates that the timeframe under a 510(k) approval will include 45 days for preparing a 510(k) application, with supporting data, followed by six months for FDA evaluation, and a question and answer period leading to a 510(k) marketing clearance for commercialization of the Commercial Unit. In the event the FDA approves the Company for the PMA approval process, the Company may elect to do one of the following actions with respect to regulatory approval:

- seek FDA approval through the PMA approval process, which would involve significantly greater expense and time than the 510(k) approval process;
- seek reclassification of the Commercial Unit by the FDA through the de novo process;
- seek a CE mark in Europe; or
- seek to extend the timeline to complete the License Agreement Milestone with respect to the submission of an application covering a product or service to be offered by the Licensee in connection with the License Agreement to the FDA or equivalent foreign agency by June 30, 2018 and the obtaining of a FDA or equivalent foreign agency approval by December 31, 2021.

Trends

About 1.7 million cases of breast cancer are diagnosed annually around the world, and approximately 522,000 women die from the disease each year, according to Global Cancer Facts & Figures, 3rd Edition from the International Agency for Research on Cancer. According to the American Cancer Society, more than 250,000 new cases of invasive breast cancer will have been diagnosed in women in 2017 in the United States, and over 40,000 American women will die from this disease. Early detection is the key to reducing the chance that a woman who is diagnosed with breast cancer will die from the disease. Breast tumors detected early are smaller and typically have not metastasized to other regions of the body, which is a key factor in improving survival.

While much research focuses on breast cancer prevention, no major advancements in early detection have been made in many years. Two-view mammography is the current standard of care for breast cancer screening, and approximately 39 million women undergo mammography screening each year in the United States, according to the FDA's *Mammography Quality Standards Act* (the "**MQSA**") and Program. While digital mammography is commonly used for breast cancer screening in the United States and other developed nations, similar technology called tomosynthesis (technically, limited-angle tomography) is also being used to improve cancer detection, either alone or with mammography. Despite the

success of mammography in driving down breast cancer mortality since its widespread introduction in the late 1980s, screening mammography is not an ideal test for the following reasons:

- it misses approximately one in five breast cancers, according to the webpage "Mammograms" on the National Cancer Institute website;

- it commonly produces false positive results, a mammogram that looks irregular when no cancer is present, as about 50 percent of women who get annual mammograms over a 10-year period in the United States will have a false-positive finding at least once, according to the webpage "Mammograms" on the National Cancer Institute website; and

- it requires breast compression and technologist handling of the patient's breast, which may be painful to the patient, according to "Breast Imaging: The Requisites E-Book, 3rd Edition".

For these reasons, the Company believes the breast imaging community may benefit from a cost-effective, true 3-D breast imaging technology that improves patient comfort and delivers high diagnostic accuracy.

Market Outlook

In the short term, the Company's management expects breast CT to likely emerge as an important tool for diagnostic breast examinations, which are performed following a concerning mammogram or when the presence of a tumor is suspected. Longer term, breast CT the Company's management expects it to partially or completely replace mammography for breast cancer screening. The MQSA became law in the United States on October 27, 1992. United States Congress enacted MQSA to ensure that all women have access to quality mammography for the detection of breast cancer in its earliest, most treatable stages. According to the FDA website, there are 17,905 mammography machines in the United States as of September 1, 2017 at 8,722 MQSA certified facilities. Two larger market trends may also contribute to market demand:

- The worldwide population is aging—and breast cancer incidence increases with age. According to "An Aging World: 2015", a study commissioned by the United States' National Institutes on Health and produced by the United States Census Bureau, in 2015, 8.5 percent of the world population was age 65 or older. By 2050, that percentage is projected to increase to 17 percent, according to the study.

- Healthcare costs are rising, causing increasing concern for governments, insurers, and patients.

This combination of an aging population and rising healthcare costs may lead to increased demand and utilization of cost-effective, accurate, early cancer detection and prevention technologies. Next-generation imaging technologies such as breast CT, which helps lower costs through more accurate early detection, with reduced false-positive imaging tests and fewer unnecessary biopsies, could be increasingly adopted.

Competition

There is significant competition for breast imaging technology for early diagnosis of breast cancer, as well as for hiring qualified personnel in the breast imaging market. The Company's competitors may have more substantial financial and technical resources for breast imaging technology for early diagnosis of breast cancer, as well as for the recruitment and retention of qualified personnel. The Company faces competition from established providers of existing breast imaging technology. In addition, researchers around the world are working on new breast imaging technologies and refinements to current offerings. See "*Risk Factors*".

History

Since incorporation on May 19, 2016, the Company's activities have focused on:

- entering into the License Agreement;

- engaging regulatory consultants to prepare for FDA or CE market approval;
- engaging consultants to assist with the design and development of the Isotropic Breast Imaging System;
- conducting private placement financings;
- obtaining a listing of the Common Shares on the Exchange; and
- completing the Offering.

Employees

As of the date of this prospectus, the Company has no employees. The Company's executive officers are independent contractors of the Company.

USE OF PROCEEDS

Funds Available

The net proceeds to be received by the Company from the Offering, after deducting the balance of the estimated expenses of the Offering of approximately $68,750 and the Agent's Commission of $20,000, will be $111,250. As at April 30, 2018, the Company had a working capital surplus of approximately $450,000. Accordingly, the Company anticipates on having available funds of approximately $561,250 following Closing of the Offering. The estimated remaining costs of the Offering include 50% of the Work Fee which remains unpaid, legal fees of the Company, the Agent's expenses including its legal fees, the balance of the listing fee payable to the Exchange, the fees payable to CDS and the fees payable to the Transfer Agent and Escrow Agent.

Principal Purposes

The funds available will be used for the purposes listed below:

Use of Available Funds	Funds to be used assuming completion of the Offering($)
Fund the Licensor's application for Milestone Patents in United States[(1)]	34,000
Completion of the design and development of the Commercial Unit[(2)]	0
Prepare application for FDA 510(k) or CE market approval of the Commercial Unit[(3)]	37,000
Operating expenses for 12 months[(4)]	139,000
Compliance expenses for 12 months[(5)]	150,000
Working capital	201,250
Total	561,250

Notes

(1) Funding the filing of Milestone Patents in the United States by the Licensor. See "*Business of the Company – Overview of the Business*" and "*Use of Proceeds - Business Objectives and Milestones*".

(2) The Company will engage the professional mechanical engineer responsible for the design and construction of the four previous generations of the Commercial Unit. All expected costs associated with the design and development of the Commercial Unit have been paid. See "*Business of the Company – Overview of the Business*" and "*Use of Proceeds - Business Objectives and Milestones*".

(3) Consists of costs for annotation and historic documentation collation and to prepare documents in a format required to address application guidelines for market approval. See "*Business of the Company – Overview of the Business*" and "*Use of Proceeds - Business Objectives and Milestones*".

(4) Estimated operating expenses for the next 12 months include: $54,000 for consulting fees for personnel, including $36,000 for consulting fees to the Chief Executive Officer and $18,000 for consulting fees to the Vice-President - Marketing; $43,000 for software development services, $21,500 on general and administrative expenses; $10,000 for insurance coverage, $8,000 for website management, development, and hosting, and $2,500 for travel.

(5) Estimated compliance expenses for the next 12 months include: $25,000 for legal fees, $25,000 for miscellaneous and contingency, $24,000 for accounting, quarterly reports, and MD&A related activities to be performed by a controller, $24,000 for public relations, $22,000 for compliance to

be performed by the Chief Financial Officer, $10,000 for Exchange fees, $10,000 for Transfer Agent and Escrow Agent fees, and $10,000 for audit fees.

The Company intends to spend its available funds as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The Company's negative operating cash flow and losses are expected to continue for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Company will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See "*Risk Factors*".

Business Objectives and Milestones

The business objectives the Company expects to achieve using the available funds are to complete the following milestones (the "**Milestones**") below:

- fund the Licensor's application for the Milestone Patents in the United States;
- complete the design and development of the Commercial Unit; and
- prepare the application to receive FDA or CE market approval.

See "*Business of the Company – The Commercial Unit*", "*Business of the Company – The License Agreement*", "*Business of the Company – Licensed Patent Rights*", and "*Business of the Company – Government Regulations*".

Extensive financial and technical resources have been expended on the design and development of the Commercial Unit since 2001 to bring the Isotropic Breast Imaging System into the final stages prior to commercialization. The Company has allocated $34,000 for the filing of the Milestone Patents in the United States, $0 to complete the design and development of the Commercial Unit (as all expected costs associated with completion of the design and development of the Commercial Unit have been paid), and $37,000 to prepare the application for FDA market approval through the 510(k) process or CE approval process. The Company's management sees no delays or impediments in reaching commercialization of the Commercial Unit. After the design and development of the Commercial Unit is completed and either the FDA or the CE has approved the Company's application, the Company intends to commence marketing and sales efforts for the Isotropic Breast Imaging System.

The following table lists the Company's business objectives, each significant event that must occur for the business objectives to be accomplished, the specific time period in which the business objectives and significant events will occur, and the cost related to each event:

Objective	Milestone/Notes	Anticipated Cost	Anticipated Completion Date
Fund the Licensor's application for the Milestone Patents in the United States	• Filing and securing Milestone Patents in the United States by the Licensor.	$34,000	End of April 2019
Completion of the design and development of the Commercial	• The Company is working in cooperation with UC Davis personnel to complete the design and development of the fifth-generation breast CT imaging unit, which will be the first commercial model.	$0	End of July 2018

Objective	Milestone/Notes	Anticipated Cost	Anticipated Completion Date
Unit	• The design and development of the Commercial Unit is expected to be completed by July 2018. The fifth-generation unit will be designed and developed by the UC Davis engineer that built the four previous breast CT generations. The completion of the design and development of the Commercial Unit does not include the construction and completion of an actual prototype of the Commercial Unit.		
Prepare the application to receive FDA or CE market approval	• The Company is currently working with regulatory consultants, to map out the necessary process to achieve FDA market approval. • Upon completing the design and development of the Commercial Unit, the Company intends to correspond with the FDA to determine which regulatory approval process will be required. If the Company is permitted to apply through a 510(k) approval, then the Company will likely proceed with FDA market approval. If the Company is required to apply for PMA approval with the FDA, then the Company may elect to one of the following actions with respect to regulatory approval: o seek FDA approval through the PMA approval process, in which case the cost and timeline to receive FDA approval will be much greater; o seek a CE mark in Europe; or o seek to extend the timeline to complete the License Agreement Milestone with respect to the submission of an application covering a product or service to be offered by the Licensee in connection with the License Agreement to the FDA or equivalent foreign agency by June 30, 2018 and the obtaining of a FDA or equivalent foreign agency approval by December 31, 2021.	$37,000	End of June 2018
Total		**$71,000**	

Other Sources of Funding

None.

DIVIDENDS

The Company has never declared, nor paid, any dividend since its incorporation and does not foresee paying any dividend in the near future since all available funds will be used to achieve the business objectives of the Company. Any future payment of dividends will depend on the financing requirements and financial condition of the Company and other factors which the Board, in its sole discretion, may consider appropriate and in the best interests of the Company.

Under the CBCA, the Company is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Company is insolvent or the payment of dividends would render the Company insolvent.

MANAGEMENT'S DISCUSSION AND ANALYSIS
PREPARED AS OF MAY 14, 2018

INTRODUCTION

The following management's discussion and analysis ("**MD&A**") is a review of operations, current financial position and outlook for the Company and should be read in conjunction with the Company's audited financial statements for the period from inception on May 19, 2016 to April 30, 2017 and with the Company's unaudited condensed consolidated interim financial statements for the nine months ended January 31, 2018. Readers are encouraged to review the Company's financial statements in conjunction with this document. The Company prepares its financial statements in accordance with International Financial Reporting Standards ("**IFRS**").

As used in this MD&A and unless otherwise indicated, the terms "we", "us", "our", "Company", and refer to Izotropic Corporation. Unless otherwise specified, all dollar amounts are expressed in Canadian dollars.

This MD&A contains forward-looking statements. Forward-looking statements may also be made in the Company's other reports filed with or furnished to the Canadian securities commissions. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from such statements. The words "aim," "anticipate," "believe," "continue," "could," "expect," "intend," "likely", "may," "optimistic," "plan," "potential", "predict", "should," "would," and other similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance, and therefore you should not put undue reliance upon them. The material assumptions supporting these forward-looking statements include, among other things the Company's ability to:

- obtain any necessary financing on acceptable terms;
- satisfy the terms of the License Agreement and maintain the License in good standing,
- complete the design and development of the Commercial Unit, as well as create a physical prototype of the Commercial Unit,
- timely obtain and maintain important regulatory approvals for the Commercial Unit, including FDA approval or CE mark approval,
- timely secure patents relating to the Licensed Patent Rights,
- timely enter into leasing agreements with hospitals and clinics to lease the Isotropic Breast Imaging System,
- appropriately deal with the possible requirement to undergo the PMA process rather than the much shorter and less capital intensive 510(k) process for FDA approval of the Commercial Unit,
- successfully compete with other research-based imaging companies and organizations that develop proprietary diagnostic and imaging products for breast cancer, and
- follow general economic and financial market conditions.

Some of the factors that may cause actual results to differ materially from those indicated in these statements are found in the section "Risk Factors" in this prospectus.

The forward-looking statements contained in this MD&A reflect our views and assumptions only as of the date of this MD&A. The Company undertakes no obligation to update or revise any forward-looking statements after the date on which the statement is made, except as required by applicable laws, including the securities laws of Canada.

OVERALL PERFORMANCE

The Company is at an early stage in its development. The Company is a company engaged in the commercialization of proprietary diagnostic products for breast cancer. Its business strategy is to complete the commercial development of breast imaging technology for early diagnosis of breast cancer. The Company's future performance depends on, among other things, its ability to: (i) fund the Licensor's application for the Milestone Patents in the United States; (ii) complete

the design and development of the Commercial Unit, and (iii) prepare the application to receive FDA or CE market approval.

SELECTED ANNUAL INFORMATION

	Period from inception (May 19, 2016) to April 30, 2017 (Audited) ($)
Continuing Operations	
Revenue	nil
General and Administrative Expenses	98,319
Net Loss	98,319
Basic and Diluted loss per share	98,319[(1)]

Notes:
(1) Based on the 1 Common Share issued and outstanding for the period ended April 30, 2017.

Statement of Financial Position	As at April 30, 2017 (Audited) ($)
Assets	149,688
Current assets	149,688
Total Assets	149,688
Liabilities	214,359
Current liabilities	214,359
Total Shareholders' Deficiency	(64,671)
Total Liabilities and Shareholders' Equity	149,688

DISCUSSION OF OPERATIONS

Period from the date of inception on May 19, 2016 to April 30, 2017

Revenues

For the period from the date of inception on May 19, 2016 to April 30, 2017, the Company did not generate any revenue.

Expenses

For the period from the date of inception on May 19, 2016 to April 30, 2017, the Company recorded expenses of $98,319.

The Company reported a net loss of $98,319, during the period from the date of inception on May 19, 2016 to April 30, 2017. The main factors that contributed to the loss in fiscal 2016 were interest charges related to one secured promissory note of $23,999, consulting fees of $22,000, professional fees of $26,238, license expenses of $13,480, website expenses of $5,823, and travel expenses of $4,500.

Consulting fees relate to $4,000 paid to Alex Beaupre for market research consulting services provided to the Company and $18,000 paid to Marshall Severyn, now the Vice-President – Marketing and a director of the Company, for regulatory approval research, market analysis and business, financial and marketing plan assistance and development provided to the Company. During the period from the date of inception on May 19, 2016 to April 30, 2017, Mr. Severyn was not an officer or director of the Company.

Professional fees consist of legal fees in connection with the Company's negotiation of the License Agreement and the Offering, accounting and audit fees in connection with the preparation of the Company's audited consolidated financial statements.

During the period from the date of inception on May 19, 2016 to April 30, 2017, the Company did not complete any equity financings.

For the nine months ended January 31, 2018 and January 31, 2017

Revenues

During the nine months ended January 31, 2018, the Company did not generate any revenue.

Expenses

Expenses increased during the nine months ended January 31, 2018 to $575,016 as compared to $44,872 during the nine months ended January 31, 2017. The Company's expenses have increased as the Company has increased its activity in preparation to complete the Milestones and list its Common Shares on the Exchange.

The Company reported a net loss of $575,016, during the nine months ended January 31, 2018. The main factors that contributed to the loss in the nine months ended January 31, 2018 are license expenses of $200,000 which relate to a finder's fee paid in connection with obtaining the License, donation expenses of $106,497 which relate to a grant to UC Davis for the design and development of the Commercial Unit, professional fees of $110,402, consulting fees of $61,523, share-based payments of $49,040 and accretion expenses of $24,726.

Consulting fees relate in part to $22,000 paid to Marshall Severyn, the Vice-President – Marketing and a director of the Company, for regulatory approval research, market analysis and business, financial and marketing plan assistance and development services provided to the Company.

Professional fees consist of legal fees in connection with the Company's proposed listing of its Common Shares on the Exchange and the Offering, accounting and audit fees in connection with the preparation of the Company's unaudited condensed consolidated interim financial statements.

LIQUIDITY AND CAPITAL RESOURCES

To build our Company into a leading provider of breast CT imaging technology, we may need to continue to raise capital. As a young growth company we are cognizant that as at January 31, 2018 we were not capable of sustaining our working capital requirements. In order to reach sustainable business operations, we will continue our plan to achieve the Milestones and a positive return to our shareholders.

Working Capital at April 30, 2017

	At April 30, 2017	
Current assets	$	149,688
Current liabilities		214,359
Working capital deficit	$	64,671

The Company reported working capital deficiency of $64,671 and cash on hand of $149,441 at April 30, 2017.

Working Capital at January 31, 2018 and April 30, 2017

		January 31, 2018		April 30, 2017
Current Assets	$	588,129	$	149,688
Current Liabilities	$	34,004	$	214,359
Working Capital (Deficiency)	$	554,125	$	(64,671)

The Company reported working capital surplus of $554,125 and cash on hand of $583,563 at January 31, 2018 compared to working capital deficit of $64,671 and cash on hand of $149,441 at April 30, 2017.

The Company anticipates having $561,250 in available funds upon completion of the Offering. The Company estimates that the capital required to complete the Milestones is $71,000. In addition, the Company also anticipates that it will be required to incur approximately $139,000 in operating expenses for the next 12 months and $150,000 in compliance expenses for the next 12 months. After giving effect to these allocations, the Company anticipates it will have $201,250 in unallocated working capital upon completion of the Offering. The Company does not anticipate incurring any other material capital expenditures.

The Company's future capital requirements will depend upon many factors including, without limitation, which regulatory approval path selected by the Company. The Company has limited capital resources and may have to rely upon the sale of equity securities for cash required for development purposes, for additional costs and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company or at all. See "*Risk Factors*".

Cash Flows for the period from the date of inception on May 19, 2016 to April 30, 2017

Cash Flows Used in Operating Activities

The Company's cash flows used in operating activities for the period from the date of inception on May 19, 2016 to April 30, 2017 were $(50,559) primarily due to non-cash items and non-cash working capital items from operations in the current year.

Cash Provided by Financing Activities

The Company's cash provided by financing activities for the period from the date of inception on May 19, 2016 to April 30, 2017 were $200,000 mainly due to proceeds received from a promissory note.

Cash Flows for the nine months ended January 31, 2018 and January 31, 2017

Cash Flows Used in Operating Activities

The Company's cash flows used in operating activities for the nine months ended January 31, 2018 was $(493,261), compared to the Company's cash flows used in operating activities for the nine months ended January 31, 2017 of $(45,026), an increase of $(448,235), primarily due to increases in operating expenses and net loss in the current period.

Cash Provided by Financing Activities

The Company's cash provided by financing activities for the nine months ended January 31, 2018, compared to the Company's cash provided by financing activities for the nine months ended January 31, 2017, increased by $745,000 due

to the issuance of 7,000,000 Common Shares for proceeds of $70,000, 6,499,998 units at a price per unit of $0.06 for proceeds of $390,000, 7,000,000 units at a price per unit of $0.10 for proceeds of $700,000, and the repayment in full of a secured promissory note with accrued interest of $215,000 and whereby in the comparative period, there were proceeds of $200,000 due to the issuance of one secured promissory note.

Contractual Obligations

The Company's future contractual obligations as of January 31, 2018 consisted of the following:

	Payments due by period									
Contractual Obligations	**Total**		**Less than 1 Year**		**1-3 Years**		**3-5 Years**		**More than 5 years**	
Past Patent Costs	US$	79,871.80	US$	26,623.93	US$	53,247.87	$	—	$	—
Due to related party	$	2,130	$	2,130	$	—	$	—	$	—

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

Period from the date of inception on May 19, 2016 to April 30, 2017

As at April 30, 2017, the Company owed the Chief Executive Officer of the Company $2,305, which is included in accounts payable and accrued liabilities.

For the nine months ended January 31, 2018

As at January 31, 2018, the Company owed the Chief Executive Officer of the Company $130 and the Vice President – Marketing $2,000, which is included in accounts payable and accrued liabilities. The amounts are non-interest bearing, unsecured and have no set repayment terms.

CHANGES IN ACCOUNTING POLICIES

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 introduces new requirements for the classification and measurement of financial assets, additional changes relating to financial liabilities, a new general hedge accounting standard which will align hedge accounting more closely with risk management. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

New standard IFRS 15 "Revenue from Contracts with Customers"

This new standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been

introduced, which may affect the amount and/or timing of revenue recognized. IFRS 15 is effective for annual periods beginning on or after January 1, 2017 with early adoption permitted.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise stated.

Additional Disclosure for Junior Issuers

As set out in the section titled "*Use of Proceeds*", if the Offering is completed the Company anticipates having general working capital of $201,250 after meeting the budgeted Milestone costs of $71,000, the budgeted operating expenses for the next 12 months of $139,000 and the budgeted compliance expenses for the next 12 months of $150,000. Other than as disclosed in this prospectus, the Company does not anticipate incurring any other material capital expenditures.

See "*Risk Factors*".

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being Common Shares. As of the date of this prospectus, 20,499,999 Common Shares were issued and outstanding. As of the date of this prospectus, the Company has granted 1,950,000 options to purchase Common Shares. The Company also has 3,249,999 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange. The Company also has 7,000,000 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange or at a price of $0.20 per Common Share from the date that is twelve months and a day from the date that the Company's Common Shares are listed for trading on a stock exchange until on the date that is twenty-four months following the date that the Company's Common Shares are listed for trading on a stock exchange. See "*Description of the Securities Distributed*".

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited amount of authorized Common Shares, of which 20,499,999 Common Shares were issued and outstanding as at the date of this prospectus.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board of Directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Agent's Option

The Company has agreed to grant to the Agent a non-transferable option (previously defined as the "**Agent's Option**") exercisable to acquire that number of Common Shares that is equal to 10% of the number of Common Shares sold pursuant to this Offering at the price of $0.10 per Common Share for a period 24 months from the Closing. The Agent's Option will be qualified under this prospectus. See "*Plan of Distribution*".

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization as of the date of this prospectus, and following completion of the Offering:

Description	As at the date hereof	After giving effect to the Offering
Common Shares	20,499,999	22,499,999
Agent's Option	Nil	200,000
Incentive Stock Options	1,950,000	1,950,000
Warrants	10,249,999	10,249,999

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on June 15, 2017 (previously defined as the "**Stock Option Plan**"). The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance is 2,049,999 Common Shares.

The Stock Option Plan will be administered by the Company's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of option grants will be determined by the Board of Directors, but after listing on the Exchange will not be less than the closing market price of the Common Shares on the Exchange less allowable discounts at the time of grant. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) one month from date of termination other than for cause; (iii) three months from the date of disability; or (iv) twelve months from the date of death. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Options Granted

As of the date hereof, the Company has granted 1,950,000 options under the Stock Option Plan. The following table provides information with respect to options granted to all past and present executive officers, directors, employees, and consultants of the Company, as well as any other person granted options by the Company as at the date of this prospectus:

Optionee	Number of Options	Exercise Price	Expiry Date
Robert Thast CEO, Director	200,000	$0.10	September 20, 2022

Optionee	Number of Options	Exercise Price	Expiry Date
Marshall Severyn Vice President – Marketing, Director	200,000	$0.10	September 20, 2022
Donald Barry Lee Chief Financial Officer, Director	100,000	$0.10	September 20, 2022
SUBTOTAL (all 3 executive officers as a group)	**500,000**		
John Boone Director	400,000	$0.10	September 20, 2022
Ali Sodagar Director	200,000	$0.10	September 20, 2022
SUBTOTAL (all 2 directors who are not also executive officers as a group)	**600,000**		
Sherri Odribege Consultant	50,000	$0.10	September 20, 2022
Karen Lindfors Consultant	200,000	$0.10	September 20, 2022
Norbert Pelc Consultant	200,000	$0.10	September 20, 2022
Peymon Gazi Consultant	200,000	$0.10	September 20, 2022
Craig Shimasaki Consultant	200,000	$0.10	October 20, 2022
SUBTOTAL (all 5 consultants as a group)	**850,000**		
TOTAL	**1,950,000**		

PRIOR SALES

During the 12 months preceding the date of this prospectus, the Company has completed the following distributions of its securities:

- On July 17, 2017, the Company issued 1,800,000 Common Shares at a price of $0.01 per Common Share.
- On July 18, 2017, the Company issued 5,200,000 Common Shares at a price of $0.01 per Common Share.
- On August 22, 2017, the Company issued 6,499,998 units at a price of $0.06 per unit for total proceeds of $389,999.88 with each unit consisting of one Common Share of the Company and one half of one non-transferable common share purchase warrant exercisable at a price of $0.10 per Common Share with each full warrant exercisable for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange.
- On October 12, 2017, the Company issued 5,000,000 units at a price of $0.10 per unit for total proceeds of $500,000 with each unit consisting of one Common Share of the Company and one non-transferable common share purchase warrant exercisable at a price of $0.10 per Common Share until the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange or at a price of $0.20 per Common Share from the date that is twelve months and a day from the date that the Company's Common Shares are listed for trading on a stock exchange until on the date that is twenty-four months following the date that the Company's Common Shares are listed for trading on a stock exchange.

- On October 31, 2017, the Company issued 2,000,000 units at a price of $0.10 per unit for total proceeds of $200,000 with each unit consisting of one Common Share of the Company and one non-transferable common share purchase warrant exercisable at a price of $0.10 per Common Share until the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange or at a price of $0.20 per Common Share from the date that is twelve months and a day from the date that the Company's Common Shares are listed for trading on a stock exchange until on the date that is twenty-four months following the date that the Company's Common Shares are listed for trading on a stock exchange.

ESCROWED SECURITIES

In accordance with National Policy 46-201 - *Escrow for Initial Public Offerings* (previously defined as "**NP 46-201**"), all shares of an issuer owned or controlled by its principals are required to be placed in escrow at the time of the issuer's initial public offering, unless the shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the issuer after giving effect to the initial public offering. Upon completion of the Offering, the Company anticipates being an "emerging issuer" as defined in NP 46-201.

The following securities of the Company (the "**Escrowed Securities**") are held by, and are subject to the terms of an escrow agreement dated February 13, 2018, among the Company, the Escrow Agent, and the holders of the Escrowed Securities, being Robert Thast, Ali Sodagar, Marshall Severyn, and John Boone (the "**Escrow Agreement**"):

Name	Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class as at the date of this prospectus[(1)]
Robert Thast	Common Shares	6,366,667	31.06%[(2)]
	Warrants	1,183,333	
Ali Sodagar	Common Shares	300,000	1.46%[(3)]
	Warrants	100,000	
Marshall Severyn	Common Shares	500,000	2.44%
John Boone	Common Shares	1,000,000	4.88%
Total	**Escrowed Securities**	**9,450,000**	**39.84%**

Notes:

(1) Based on 20,499,999 Common Shares issued and outstanding as at the date of this prospectus.

(2) Does not include 1,183,333 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange.

(3) Does not include 100,000 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange or at a price of $0.20 per Common Share from the date that is twelve months and a day from the date that the Company's Common Shares are listed for trading on a stock exchange until on the date that is twenty-four months following the date that the Company's Common Shares are listed for trading on a stock exchange.

As the Company anticipates being an "emerging issuer" as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow:

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

Under NP 46-201, a "principal" is: (a) a person who has acted as a promoter of the Company within two years of the date of this prospectus; (b) a director or senior officer of the Company at the time of this prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company. A principal's spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Company held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each principal's escrowed securities are released on the listing date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the listing date, the Company meets the "established issuer" criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Company had been an "established issuer" on the listing date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the listing date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Company's Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Company or of a material operating subsidiary of the Company; (b) subject to the approval of the Company's Board of Directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Company's outstanding securities; (c) subject to the approval of the Company's Board of Directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**") or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holder's spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an "exempt issuer", the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

Under the terms of the Escrow Agreement, 10% of each Escrow Securities holder's Escrowed Securities (a total of 945,000 Escrowed Securities) will be released from escrow on the Listing Date. The remaining 8,505,000 Escrowed Securities will be held in escrow immediately following the Listing Date.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and executive officers of the Company, as of the date of this prospectus, no person beneficially owns or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company, other than as set out in the following table:

Name	Number and class of securities	Type of ownership	Percentage of outstanding class[1]
Robert Thast	6,366,667 Common Shares[2]	Direct	31.06%[3]

Notes:

(1) Based on 20,499,999 Common Shares issued and outstanding as at the date of this prospectus.

(2) Does not include: (i) 1,183,333 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange, and (ii) 50,000 options to purchase Common Shares at a price of $0.10 until September 20, 2022 exercisable within 60 days from the date of this prospectus.

(3) On a partially diluted basis, Mr. Thast would hold 34.97% of the issued and outstanding Common Shares.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the Directors and executive officers of the Company, the name, municipality of residence, age, principal occupation, position held with the Company and the date on which the person became a Director.

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	If Director, expiry of term of office	Securities Held[1]	Percentage of Securities Held[2]
Robert Thast, Surrey, B.C., Canada 65	Businessman Chief Executive Officer of New Carolin Gold Corp.	Chief Executive Officer and Director	May 19, 2016	At next Annual General Meeting	6,366,667[3] Common Shares	31.06%
Donald Barry Lee, Vancouver, B.C., Canada 61	Chief Executive Officer of Equity One Capital Corporation, Chief Financial Officer of First Merit Group Inc.	Chief Financial Officer and Director Audit Committee Member	June 15, 2017	At next Annual General Meeting	None[4]	n/a
Ali Sodagar, Vancouver, B.C., Canada 43	Law Practice Owner	Director Audit Committee Member	May 22, 2017	At next Annual General Meeting	300,000 Common Shares[5]	1.46%
Marshall Severyn, Surrey, B.C., Canada 65	Marketing Executive	Vice President – Marketing and Director	May 1, 2017	At next Annual General Meeting	500,000[6] Common Shares	2.44%

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	If Director, expiry of term of office	Securities Held[(1)]	Percentage of Securities Held[(2)]
John Boone, Fair Oaks, California, USA, 64	Physicist, Professor UC Davis	Director Audit Committee Member	May 1, 2017	At next Annual General Meeting	1,000,000[(7)] Common Shares	4.88%
TOTAL					**8,166,667 Common Shares**	**39.84%**

Notes:

(1) Ownership is direct unless otherwise noted.

(2) Based on 20,499,999 Common Shares issued and outstanding as at the date of this prospectus.

(3) Does not include: (i) 1,183,333 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange, and (ii) 200,000 options to purchase Common Shares at a price of $0.10 until September 20, 2022.

(4) Does not include 100,000 options to purchase Common Shares at a price of $0.10 until September 20, 2022.

(5) Does not include (i) 100,000 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange or at a price of $0.20 per Common Share from the date that is twelve months and a day from the date that the Company's Common Shares are listed for trading on a stock exchange until on the date that is twenty-four months following the date that the Company's Common Shares are listed for trading on a stock exchange, and (ii) 200,000 options to purchase Common Shares at a price of $0.10 until September 20, 2022.

(6) Does not include 200,000 options to purchase Common Shares at a price of $0.10 until September 20, 2022.

(7) Does not include 400,000 options to purchase Common Shares at a price of $0.10 until September 20, 2022.

Term of Office

The Directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

Biographical Information

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this prospectus, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

Robert Thast - *Age 65, Chief Executive Officer and Director*

Mr. Thast has served as Chief Executive Officer of New Carolin Gold Corp., a company listed on the TSX Venture Exchange, since March 2014. Mr. Thast expects to devote 65% of his time to the affairs of the Company.

Donald Barry Lee - *Age 61, Chief Financial Officer*

Mr. Lee is the Chief Executive Officer of Equity One Capital Corporation and Chief Financial Officer of First Merit Group Inc. Mr. Lee's current engagements include serving as Chief Financial Officer of Cannex Capital Holdings Inc. (formerly Arco Resources Corp.), a company listed on the Exchange, Chief Financial Officer of VoIP-Pal.com Inc., a company whose shares are quoted on the OTCQB market, Chief Financial Officer of New Carolin Gold Corp., a company listed on the TSX Venture Exchange, and Chief Financial Officer of Worldwide Resources Corp., a company listed on the NEX Board of the TSX Venture Exchange. Mr. Lee serves on the board of directors of Gainey Capital Corp., a company listed on the TSX Venture Exchange, Buccaneer Gold Corp., a company listed on the TSX Venture Exchange, Atom Energy Inc., a company listed on the NEX Board of the TSX Venture Exchange, and Worldwide Resources Corp., a company listed on the NEX Board of the TSX Venture Exchange. He received his undergraduate degree from the University of Alberta. Mr. Lee expects to devote 25% of his time to the affairs of the Company.

Ali Sodagar - *Age 43, Director*

Mr. Sodagar founded Sodagar & Company Law Corp. in 2006, a multidiscipline law firm specializing in international business transactions, project finance, mergers and acquisition, corporate, real estate and intellectual property. Mr. Sodagar's main areas of practice are: business, corporate & commercial law, civil litigation and intellectual property.

In addition to his background in law, Mr. Sodagar holds a bachelor's degree in medical & health physics (Hons.) from McMaster University and a master's degree in medical biophysics from the University of Western Ontario. As part of his master's program, Mr. Sodagar worked on a CT with a C-arm for arterial and contrast enhanced imaging at the Robarts Research Institute. Mr. Sodagar earned his L.L.B. from the University of Windsor. Mr. Sodagar has been a registered Trademark Agent (License #14799) since March 2007. Mr. Sodagar expects to devote 10% of his time to the affairs of the Company.

Marshall Severyn - *Age 65, Vice President – Marketing and Director*

Mr. Severyn serves as Vice President – Marketing and as a director of the Company. Mr. Severyn holds an Executive Master's of Business Administration from the University of Southern California and an Associate Degree from Capilano University. Mr. Severyn expects to devote 100% of his time to the affairs of the Company.

John Boone - *Age 64, Director*

Dr. Boone is a professor of radiology at UC Davis. Mr. Boone expects to devote 10% of his time to the affairs of the Company.

None of the executive officers or directors of the Company have entered into non-competition agreements or confidentiality agreements with the Company.

Cease Trade Orders

No, director or executive officer of the Company, is or has been, within the ten years preceding the date of this prospectus, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the director or executive officer 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 director or executive officer 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.

For the purposes of this prospectus, an "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

Bankruptcies

No director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, within the ten years preceding the date of this prospectus:

(a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Penalties or Sanctions

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

Conflicts of Interest

There are no existing material conflicts of interest between the Company and any Director or officer of the Company. Directors and officers of the Company may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, certain Directors of the Company may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. In the event that such conflict of interest arises at a meeting of the Board, a Director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such transaction.

The information as to ownership of securities of the Company, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Company individually in respect of himself or herself.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's executive compensation program during the most recently completed financial year ended April 30, 2017 was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers.

The overall objective of the Company's compensation strategy is to offer medium-term and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest caliber and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the Chief Executive Officer, if any, in this regard. The Company currently has short and long-term compensation components in place, and intends to further develop these compensation components. The Company does not have consulting or employment agreements in place with any NEOs. The objectives of the Company's

compensation policies and procedures will be to align the interests of the Company's employees with the interests of the Company's shareholders.

The Company does not currently have in place a compensation and nominating committee. All tasks related to developing and monitoring the Company's approach to the compensation of officers of the Company, and to developing and monitoring the Company's approach to the nomination of directors to the Board, are performed by the members of the Board. The compensation of the NEOs and the Company's employees is reviewed, recommended and approved by Board.

Under the Company's compensation policies and practices, NEOs and directors are not prevented from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. However, the Board does not believe that the Company's compensation policies and practices encourage executive officers to take unnecessary or excessive risk.

Significant Elements

The significant elements of compensation for the Company's "Named Executive Officers", being the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers whose total compensation exceeds $150,000, will be the Common Shares that have been previously issued and the stock options that have been previously granted. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance to the Company's Stock Option Plan.

As of the date hereof, the Company has granted 1,100,000 options to its directors and officers. See "*Options to Purchase Securities*" above.

Employment and Consulting Agreements

The Company has not entered into written employment or consulting agreements with its Chief Executive Officer and its Chief Financial Officer.

Summary Compensation Table

The following table sets forth information about compensation paid to, or earned by, the Company's Named Executive Officers during the period from inception on May 19, 2016 to April 30, 2017.

Name and Principal Position	Year	Salary ($)	Share Based Awards ($)	Option Based Awards ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans ($)	Long Term Incentive Plans ($)			
Robert Thast[(1)] Chief Executive Officer and Director	From the date of inception on May 19, 2016 to April 30, 2017	nil	nil	nil	nil	nil	nil	nil	nil
Donald Barry Lee Chief Financial Officer and Director	From the date of inception on May 19, 2016 to April 30, 2017	nil	nil	nil	nil	nil	nil	nil	nil

Notes:

(1) On May 19, 2016, Mr. Thast subscribed for one Common Share. On July 18, 2017, Mr. Thast subscribed for 4,200,000 Common Shares. On October 20, 2017, Mr. Thast agreed to transfer 200,000 of his Common Shares to one consultant of the Company. On March 22, 2018, Mr. Thast acquired 2,366,666 Common Shares and 1,183,333 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange pursuant to two securities transfers from two securityholders. On September 20, 2017, Mr. Thast was awarded 400,000 options to purchase Common Shares at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022. On October 20, 2017, Mr. Thast agreed to have 200,000 of his options cancelled. As of the date of this prospectus, Mr. Thast holds 200,000 options to purchase Common Shares.

(2) On September 20, 2017, Mr. Lee was awarded 100,000 options to purchase Common Shares at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022.

Incentive Plan Awards

The following table sets forth all outstanding share based and option based awards to the Named Executive Officers as at the fiscal year ended April 30, 2017.

Name	Option Based Awards				Share Based Awards	
	Number of Securities underlying unexercised options (#)	Option exercise price ($)	Option Expiration Date	Value of unexercised in-the-money Options ($)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested ($)
Robert Thast[(1)] Surrey, B.C.	nil			nil	nil	nil
Donald Barry Lee[(2)] Vancouver, B.C.	nil			nil	nil	nil

Notes:

(1) On September 20, 2017, Mr. Thast was awarded 400,000 options to purchase Common Shares of the Company at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022. On October 20, 2017, Mr. Thast agreed to have 200,000 of his options cancelled. As of the date of this prospectus, Mr. Thast holds 200,000 options to purchase Common Shares.

(2) On September 20, 2017, Mr. Lee was awarded 100,000 options to purchase Common Shares of the Company at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022.

As of the date of this prospectus, the Company has not granted any share based awards to the Named Executive Officers.

Director Compensation

The following table sets forth the compensation paid to the Company's Directors for the period from inception on May 19, 2016 to April 30, 2017.

Name	Fees Earned ($)	Share-based Awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Robert Thast[(1)]	nil	nil	nil	nil	nil	nil	nil
Donald Barry Lee[(2)]	nil	nil	nil	nil	nil	nil	nil
Ali Sodagar[(3)]	nil	nil	nil	nil	nil	nil	nil
Marshall Severyn[(4)]	$18,000	nil	nil	nil	nil	nil	$18,000
John Boone[(5)]	nil	nil	nil	nil	nil	nil	nil

Notes:

(1) On May 19, 2016, Mr. Thast subscribed for one Common Share. On July 18, 2017, Mr. Thast subscribed for 4,200,000 Common Shares. On October 20, 2017, Mr. Thast agreed to transfer 200,000 of his Common Shares to one consultant of the Company. On March 22, 2018, Mr. Thast acquired 2,366,666 Common Shares and 1,183,333 non-transferable common share purchase warrants exercisable at a price of $0.10 per Common Share for a period expiring on the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange pursuant to two securities transfers from two securityholders. On September 20, 2017, Mr. Thast was awarded 400,000 options to purchase Common Shares at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022. On October 20, 2017, Mr. Thast agreed to have 200,000 of his options cancelled. As of the date of this prospectus, Mr. Thast holds 200,000 options to purchase Common Shares.

(2) Mr. Lee was appointed a director of the Company on June 15, 2017. On September 20, 2017, Mr. Lee was awarded 100,000 options to purchase Common Shares at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022.

(3) Mr. Sodagar was appointed a director of the Company on May 22, 2017. On July 17, 2017, Mr. Sodagar subscribed for 200,000 Common Shares. On September 20, 2017, Mr. Sodagar was awarded 200,000 options to purchase Common Shares at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022. On October 12, 2017, Mr. Sodagar subscribed for 100,000 units of the Company, with each unit comprised of one Common Share and one non-transferable common share purchase warrant exercisable at a price of $0.10 per Common Share until the date that is twelve months following the date that the Company's Common Shares are listed for trading on a stock exchange or at a price of $0.20 per Common Share from the date that is twelve months and a day from the date that the Company's Common Shares are listed for trading on a stock exchange until on the date that is twenty-four months following the date that the Company's Common Shares are listed for trading on a stock exchange.

(4) Mr. Severyn was appointed a director of the Company on May 1, 2017. On July 17, 2017, Mr. Severyn subscribed for 500,000 Common Shares. On September 20, 2017, Mr. Severyn was awarded 200,000 options to purchase Common Shares at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022.

(5) Mr. Boone was appointed a director of the Company on May 1, 2017. On July 18, 2017, Mr. Boone subscribed for 1,000,000 Common Shares. On September 20, 2017, Mr. Boone was awarded 400,000 options to purchase Common Shares at an exercise price of $0.10 per Common Share with an expiry date of September 20, 2022.

Compensation arrangements for Directors is determined by the Board on a case by case basis and negotiated between the Board and the Director to be compensated.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to NEOs at, following, or in connection with retirement.

Termination and Change of Control Benefits

There are no management or consulting agreements with any directors or officers of the Company that provide for payments to an officer or director, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in a director's or officer's responsibilities.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since inception on May 19, 2016, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Company either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

AUDIT COMMITTEE

Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-110F1 require the Company to disclose certain information relating to the Company's Audit Committee and its relationship with the Company's independent auditors.

Audit Committee Charter

Pursuant to NI 52-110, the Company's Audit Committee is required to have a charter. The full text of the Company's Audit Committee Charter is attached as Appendix "D" to this prospectus.

Composition of Audit Committee

The members of the Company's Audit Committee are:

Donald Barry Lee (Chair)	Not Independent[(1)]	Financially literate[(2)]
Ali Sodagar	Independent[(1)]	Financially literate[(2)]
John Boone	Independent[(1)]	Financially literate[(2)]

Notes:

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the audit committee of the Company are Donald Barry Lee, Ali Sodagar and John Boone.

Mr. Lee, the Company's Chief Financial Officer is not "independent" as defined in NI 52-110 as Mr. Lee is an executive officer of the Company. Mr. Sodagar and Mr. Boone are independent. The Company is exempt from the audit committee composition requirements in NI 52-110 which require all audit committee members to be independent.

All of the audit committee members are "financially literate", as defined in NI 52-110, as all of the audit committee members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

Each audit committee member has had extensive experience reviewing financial statements. Each member has an understanding of the Company's business and has an appreciation for the relevant accounting principles for that business.

Donald Barry Lee is the Chief Financial Officer of the Company. He has served as the chief financial officer and on the audit committee of numerous public companies. Mr. Lee holds an undergraduate degree from the University of Alberta.

Ali Sodagar is a practicing lawyer with over thirteen years of experience advising businesses. Mr. Sodagar has been the principal at Sodagar & Company Law Corporation, a law firm in Vancouver, British Columbia, since 2006. In this role, Mr. Sodagar, has overseen the operations of a business and gained experience in legal, compliance, and financial matters. Mr. Sodagar holds a B. Sc. (Hons.) in Medical & Health Physics from McMaster University, a Master's of Science in Medical Biophysics from Western University, and an L.L.B. from the University of Windsor.

John Boone is a professor of radiology at UC Davis. Mr. Boone has been actively involved in the development of the Isotropic Breast Imaging System including the grant application process, which involves reviewing financial statements.

Audit Committee Oversight

At no time since the beginning of the fiscal year completed April 30, 2017 was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the beginning of the fiscal year ended April 30, 2017 has the Company relied on the exemption provided in section 2.4 of NI 52-110 (De Minimis Non-Audit Services) or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions). It is not anticipated that the Company will rely on any of the above exemptions.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services but all such services will be subject to the prior approval of the audit committee. It is not anticipated that the Company will adopt specific policies and procedures.

External Auditor Service Fees

The aggregate fees billed by the external auditors to the Company for the period from inception on May 19, 2016 to April 30, 2017 and for the nine months ended January 31, 2018 are:

Year	Audit Fees[(1)]	Audit-Related Fees[(2)]	Tax Fees[(3)]	All Other Fees[(4)]
For the period from inception on May 19, 2016 to April 30, 2017	$4,800	$2,500	$1,200	$nil
For the nine months ended January 31, 2018	$nil	$nil	$nil	$4,500

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Company. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Company's corporate governance practices are summarized below.

Board of Directors

The Board of Directors is currently comprised of five members. The rules of the Exchange do not have independent director requirements. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. Robert Thast, Donald Barry Lee and Marshall Severyn are not independent directors because of their positions as executive officers of the Company.

Directorships

Mr. Thast is a director of New Carolin Gold Corp., a company listed on the TSX Venture Exchange.

Mr. Lee is a director of the following reporting issuers:

- Gainey Capital Corp., a company listed on the TSX Venture Exchange;
- Buccaneer Gold Corp., a company listed on the TSX Venture Exchange;
- Atom Energy Inc., a company listed on the NEX Board of the TSX Venture Exchange; and
- Worldwide Resources Corp., company listed on the NEX Board of the TSX Venture Exchange.

Orientation and Continuing Education

The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders. Generally, the Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board of Directors in which the

director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the Directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as applicable under the CBCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Company. The Board of Directors considers itself too small to warrant creation of such a committee; and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

Compensation

The Board of Directors reviews the compensation of its directors and executive officers annually. The Directors will determine compensation of directors and executive officers taking into account the Company's business ventures and the Company's financial position. See "*Executive Compensation*".

Other Board Committees

The Company has an audit committee of the Board of Directors.

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

PLAN OF DISTRIBUTION

Offering

Under the Agency Agreement the Company has appointed the Agent on a commercially reasonable efforts basis to offer for sale to the public in each of the provinces of British Columbia, Alberta, and Ontario a total of 2,000,000 Common Shares of the Company at a price of $0.10 per Common Shares for gross proceeds of $200,000. The issue price of $0.10 per Common Share was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange.

The Company has agreed not to, directly or indirectly, issue, sell or grant or agree to announce any intention to issue, sell or grant, any additional equity or quasi-equity securities during the period commencing on the date of issuance of a receipt for the preliminary prospectus and for a period of 60 days after the Closing of the Offering without the prior written consent of the Agent, such consent not to be unreasonably withheld, except in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Company and other share

compensation arrangements; and (ii) obligations in respect of existing instruments already issued and described in this prospectus.

Subscriptions for Common Shares will be received subject to rejection or allotment in whole or in part by the Company. It is expected that the Closing of the Offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. If the total subscription of 2,000,000 Common Shares is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the Agent and persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. It is expected that share certificates evidencing the Common Shares will be available for delivery on the Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. (previously defined as "**CDS**") or its nominee. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

There is currently no market through which any of the securities of the Company, including the Common Shares, may be sold and purchasers and holders thereof may not be able to resell or dispose of any of the securities purchased, distributed or qualified under this prospectus.

The Company has agreed to indemnify the Agent and its directors, officers, employees, shareholders and agents against all liabilities arising directly or indirectly from the Agency Agreement. Notwithstanding the above, the indemnity does not include claims arising from gross negligence, dishonesty, or willful misconduct of the Agent.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion upon the occurrence of certain stated events. The Agent is not obligated to purchase any of the Common Shares under the Offering.

Agent's Commission

The Company has agreed to pay to the Agent a cash commission equal to 10% of the aggregate gross proceeds of the Offering in consideration for its services in connection with the Offering. Such commission, together with all other expenses of the Offering, will be paid by the Company out of the proceeds of the Offering. The Company has also agreed to pay to the Agent the Work Fee of $15,000, plus GST, with 50% of the Work Fee remaining payable upon Closing of the Offering.

As additional compensation, on the Closing, the Company has agreed to grant to the Agent the Agent's Option exercisable to acquire that number of Common Shares that is equal to 10% of the number of Common Shares sold pursuant to this Offering at the price of $0.10 per Common Share for a period 24 months from the Closing. The Agent's Option will be qualified under this prospectus.

Listing of Common Shares on the Exchange

The Company has applied to list its Common Shares on the Exchange. Listing of the Common Shares is subject to the Company fulfilling all of the listing requirements of the Exchange.

As of the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline and investors may lose all or part of their investment.

Risks Relating to the Company's Business

Negative Cash Flow from Operating Activities

The Company has no history of earnings and had negative cash flow from operating activities since inception. To date, the Company has not received and revenues from the sales of the Isotropic Breast Imaging System. The Company has accumulated net losses and expects to continue to incur such losses until such time as milestone payments from collaborative partners, licensing fees, product sales or royalty payments generate sufficient revenues to fund its continuing operations. The Company's ability to attain profitability will depend on a number of factors, some of which are outside its control. These factors include the following:

- its ability to obtain necessary government and regulatory approvals, including FDA market approval;
- its ability to successfully complete the design and development of the Commercial Unit;
- its ability to successfully commercialize the Isotropic Breast Imaging System;
- its ability to secure the Milestone Patents;
- its ability to protect the intellectual property granted to the Company under the License Agreement;
- the success of its sales and marketing efforts;
- its ability to maintain its competitive advantages;
- new developments in the area of cancer detections and the efficacy of competing technologies;
- market acceptance of its products and services; and
- its ability to raise additional capital as and when needed and on acceptable terms.

No Production History

The Company has no product sales history its ultimate success will depend on its operating ability to generate cash flow from sales of its products and services in the future. The Company has not generated any revenue to date and there is no assurance that it will do so in the future.

The Company's business operations are at an early stage of development and its success will be largely dependent upon the outcome of its ultimate strategy of successfully developing and marketing the Isotropic Breast Imaging System.

The ability of the Company to satisfy the terms of the License Agreement and maintain the License in good standing

The Company has been granted an exclusive license to the Inventions pursuant to the License Agreement. The Company's rights and obligations are outlined in the License Agreement. The License Agreement requires the Company to complete the License Agreement Milestones. Failure to complete the License Agreement Milestones could allow the Licensor to terminate the License Agreement. The License Agreement may also be terminated by the Licensor if certain other conditions occur. If the Company's relationship with the Licensor were to terminate, the Company would not be able to distribute and commercialize the Isotropic Breast Imaging System and might not be able to enter into another license agreement with an entity with similar technologies on acceptable terms or at all. As a result, the Company could experience delays in its ability to distribute and commercialize the Isotropic Breast Imaging System or a similar technology, all of which would have a material adverse effect on the Company's business, results of operations and financial condition.

The ability of the Company to complete the design and development of the Commercial Unit, as well as create a physical prototype of the Commercial Unit

The Company, in partnership with researchers at UC Davis and third party engineers, continues to design and develop the Commercial Unit. The Company expects the design and development of the Commercial Unit to be completed by July 2018. There are no assurances that the design and development of the the Commercial Unit will be completed by this deadline. As a result, the Company could experience delays in its ability to distribute and commercialize the Isotropic Breast Imaging System, all of which would have a material adverse effect on the Company's business, results of operations and financial condition.

The Company's ability to timely obtain regulatory approvals, including FDA approval or CE approval, in order to satisfy the terms of the License Agreement

Under the License Agreement, the Company is required to submit an application covering a product or service to be offered by the Licensee in connection with the License Agreement to the FDA or equivalent foreign agency by June 30, 2018 and obtain FDA or equivalent foreign agency approval by December 31, 2021. The FDA might not approve the Commercial Unit, might delay approval, or might require premarket approval (previously defined as "**PMA**") rather than the less stringent 501(k) approval. If the FDA requires PMA for the Commercial Unit, the Company might seek reclassification of the Commercial Unit by the FDA through the de novo process, might elect to seek CE mark approval in Europe, or extend the deadlines to make a regulatory application and obtain a form of regulatory approval as outlined in the License Agreement Milestones. As a result, the Company could experience delays in its ability to distribute and commercialize the Isotropic Breast Imaging System, all of which would have a material adverse effect on the Company's business, results of operations and financial condition.

The Company's products and operations are subject to extensive regulation in the United States by the U.S. Food and Drug Administration or FDA. The FDA regulates the development, bench and clinical testing, manufacturing, labeling, storage, record keeping, promotion, sales, distribution and postmarket support and reporting of medical devices in the United States to ensure that medical products distributed in the United States are safe and effective for their intended uses. In order for us to market certain products for use in the United States, the Company generally must first obtain clearance from the FDA pursuant to the the Federal Food, Drug and Cosmetic Act (previously defined as the "**FDCA**"). Clearance under Section 510(k) requires demonstration that a new device is substantially equivalent to another device with 510(k) clearance or grandfathered status. Clearance under the de novo review requires that a new device presents a moderate or low risk.

In addition, if the Company develops products in the future that are not considered to be substantially equivalent to a device with 510(k) clearance or grandfathered status or presenting more than a moderate or low risk, the Company will be required to obtain FDA approval by submitting a PMA. The FDA may not act favorably or quickly in its review of the Company's 510(k), de novo review or PMA submissions, or the Company may encounter significant difficulties and costs in the Company's efforts to obtain FDA clearance or approval, all of which could delay or preclude sale of new products in the United States. Furthermore, the FDA may request additional data or require us to conduct further testing, or compile more data, including clinical data and clinical studies. Regulatory policy affecting the Company's products can change at any time. The changes and their impact on the Company's business cannot be accurately predicted. Changes in the FDA

510(k) or de novo review process could make approval more difficult to obtain, increase delay, add uncertainty and have other significant adverse effects on the Company's ability to obtain and maintain approval for the Company's products. The FDA may also, instead of accepting a 510(k) or de novo review submission, require us to submit a PMA, which is typically a much more complex, lengthy and burdensome application. To support a PMA, the FDA would likely require that the Company conduct one or more clinical studies to demonstrate that the device is safe and effective. In some cases such studies may be requested for non-PMA submissions as well. We may not be able to meet the requirements to obtain 510(k) or de novo review clearance or PMA approval, in which case the FDA may not grant any necessary clearances or approvals. In addition, the FDA may place significant limitations upon the intended use of the Company's products as a condition to a 510(k) or de novo review clearance or PMA approval. Product applications can also be denied or withdrawn due to failure to comply with regulatory requirements or the occurrence of unforeseen problems following clearance or approval. Any delays or failure to obtain FDA clearance or approvals of new products the Company develops, any limitations imposed by the FDA on new product use, or the costs of obtaining FDA clearance or approvals could have a material adverse effect on the Company's business, financial condition and results of operations.

To be able to provide the Company's products in other countries, the Company must obtain regulatory approvals and comply with the regulations of those countries which may differ substantially from those of the United States. These regulations, including the requirements for approvals and the time required for regulatory review, vary from country to country. Obtaining and maintaining foreign regulatory approvals is complex, and the Company cannot be certain that it will receive regulatory approvals in any foreign country in which the Company plans to market the Company's products, or to obtain such approvals on a favorable schedule. If the Company fails to obtain or maintain regulatory approval in any foreign country in which the Company plans to market the Company's products, the Company's ability to generate revenue will be harmed.

The EU requires that manufacturers of medical products obtain the right to affix the CE mark to their products before selling them in member countries of the EU. The CE mark is an international symbol of adherence to quality assurance standards and compliance with applicable European medical device directives. In order to obtain the authorization to affix the CE mark to products, a manufacturer must obtain certification that its processes meet certain European quality standards. If the Company is unable to obtain permission to affix the CE mark to the Company's products, the Company will not be able to sell the Company's products in member countries of the EU and many affiliated countries that accept the CE mark, which would have a material adverse effect on the Company's results of operations. Some member states of the European Union have additional requirements for registration and notification which may add to the time and effort to obtain market access. In addition, the regulations applied to end users of the Company's products may increase over time, forcing us to provide additional solutions to regulations which do not apply directly to us, but which apply indirectly as they may limit the Company's customers' ability to use the Company's products.

The Company's ability to successfully secure patents relating to the Licensed Patent Rights

Under the License Agreement, the Company has agreed to fund the Licensor's applications for the patents under the Licensed Patent Rights. The USPTO might not approve the Milestone Patents or might delay approval. As a result, the Company could experience delays in its ability to distribute and commercialize the Isotropic Breast Imaging System, all of which would have a material adverse effect on the Company's business, results of operations and financial condition.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful in pursuing its ultimate strategy of successfully developing and marketing the Isotropic Breast Imaging System. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future operations. Revenues, taxes, costs, capital expenditures, operating expenses, regulatory approvals, and the political environment are all factors which will have an impact on the amount of additional capital that may be required. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, incur financial penalties, or reduce or terminate its operations.

The Company's ability to timely enter into leasing agreements with hospitals and clinics to lease the Isotropic Breast Imaging System

Neither the Company nor IIC has entered into any revenue generating agreements with hospitals or clinics for the Isotropic Breast Imaging System. The Company's success will be largely dependent upon the outcome of its strategy of successfully developing and marketing the Isotropic Breast Imaging System and entering into revenue generating agreements with hospitals and clinics once it has obtained necessary regulatory approvals.

Use of Funds

The Company has prepared a detailed budget setting out the way in which it proposes to expend the funds raised under the Offering. However, the quantum and timing of expenditure will necessarily be dependent upon the Company's ultimate strategy of successfully developing and marketing the Isotropic Breast Imaging System. As the Company continues to develop the Isotropic Breast Imaging System, it is possible that circumstances may dictate a departure from the pre-existing budget. Further, the Company may, from time to time as opportunities arise, utilize part of its financial resources (including the funds raised as part of the Offering) to participate in additional opportunities that arise and fit within the Company's broader objectives, as a means of advancing shareholder value.

The possible requirement to undergo the PMA process rather than the much shorter and less capital intensive 510(k) process for FDA regulatory approval of the Commercial Unit

The Company's Commercial Unit may not be approved for the 510(k) FDA process. The PMA pathway is estimated to take up to 24 months at a cost of up to approximately US$2 million. Since there is a distinct advantage to seeking a PMA, as it is a higher approval process that would facilitate faster approvals outside the United States and medical insurers in the United States do not dispute costs associated with a technology that has FDA clearance through a PMA, the Company may elect to undertake a PMA approval process instead of a less expensive alternative such as CE mark approval in Europe. In the event the Company elects to undertake a PMA, it may seek an industry partner to fund associated costs in exchange for select marketing rights, or the Company may conduct a financing sufficient to fund PMA when and if elected. The Company may not be able to find an industry partner to fund associated costs for the PMA approval process and may not be able to arrange financing sufficient to fund PMA. As a result, the Company could experience delays in its ability to distribute and commercialize the Isotropic Breast Imaging System, all of which would have a material adverse effect on the Company's business, results of operations and financial condition.

Competition

The Company competes with numerous other research-based imaging companies and organizations that develop, manufacture, market, and sell proprietary imaging technologies, solutions, and products that may possess greater financial resources and technical facilities than the Company in proprietary diagnostic and imaging products for breast cancer, as well as the recruitment and retention of suitably qualified individuals. These competitors may introduce new products or develop technological advances that compete with the Company. The Company cannot predict the timing or impact of competitors introducing new products or technological advances. Such competing products may be safer, more effective, more effectively marketed or sold, or have lower prices or superior performance features than the Company's products, and this could negatively impact the Company's business and results of operations.

Laws and regulations affecting government benefit programs could impose new obligations on the Company, require it to change its business practices, and restrict its operations in the future

The healthcare industry is subject to various federal, state and international laws and regulations pertaining to government benefit programs reimbursement, rebates, price reporting and regulation, and healthcare fraud and abuse. Violations of these laws may be punishable by criminal and/or civil sanctions, including, in some instances, substantial fines, imprisonment, and exclusion from participation in federal and state healthcare programs. These laws and regulations are broad in scope and they are subject to change and evolving interpretations, which could require the Company to incur substantial costs associated with compliance, or to alter one or more of its sales or marketing practices. In addition, violations of these laws, or allegations of such violations, could disrupt the Company's business and result in a material adverse effect on its business and results of operations.

The international nature of the Company's business subjects it to additional business risks that may cause its revenue and profitability to decline

The Company's business is subject to risks associated with doing business internationally, including in emerging markets. As the Company's market is global, the Company faces risks that may include:

- Fluctuations in currency exchange rates;
- Multiple legal and regulatory requirements that are subject to change and that could restrict the Company's ability to manufacture, market, and sell its products;
- Trade-protection measures and import or export licensing requirements;
- Difficulty in establishing staffing and managing operations;
- Differing labour regulations;
- Inflation, recession, and fluctuations in interest rates;
- Political and economic instability; and,
- Price and currency exchange controls, limitations on participation in local enterprises, expropriation, nationalization, and other governmental action.

The aforementioned risks may have a material adverse effect on the Company's revenues and profitability.

Technological change

The digital imaging industry is susceptible to technological advances and the introduction of new products utilizing new technologies. Further, the digital imaging industry is also subject to changing industry standards, market trends and customer preferences, and to competitive pressures which can, among other things, necessitate revisions in pricing strategies, price reductions and reduced profit margins. The Company's success will depend on its ability to secure technological superiority in its products and maintain such superiority in the face of new products. While the Company believes that its products will be competitive, no assurances can be given that the Company's products will be commercially viable or that further modification or additional products will not be required to meet demands or to make changes necessitated by competitors' developments that might render the Company's products less competitive, less marketable, or even obsolete over time.

Management of growth

The Company may be subject to growth-related risks, including capacity constraints and pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, and manage its employee base. Inability of the Company to deal with this growth could have a material adverse impact on its business, operations, and prospects.

Protection of intellectual property

Although the Company does not believe that its products infringe on the proprietary rights of any third parties, there can be no assurance that infringement or invalidity claims (or claims for indemnification resulting from infringement claims) will not be asserted or prosecuted against the Company or the Licensor or that any such assertions or prosecutions will not materially adversely affect the Company's business, financial condition, or results of operations. Regardless of the validity or the successful assertion of such claims, the Company could incur significant costs and diversion of resources with respect to the defense thereof, which could have a material adverse effect on the Company's business, financial condition, or results of operations. The Company's performance and ability to compete are dependent to a significant degree on the proprietary technology licensed to it under the License Agreement. The Company relies on the patents and

a combination of copyright and trade secret laws, as well as confidentiality agreements and technical measures, to establish and protect the proprietary rights of the Inventions. As part of its confidentiality procedures, the Company generally enters into agreements with its employees and consultants and limits access to and distribution of its documentation and other proprietary information.

Accordingly, while the Company will endeavor to protect the intellectual property licensed to it under the License Agreement, there can be no assurance that the steps taken by the Company will prevent misappropriation of that technology or that agreements entered into for that purpose will be enforceable. The laws of other countries may afford the Company little or no effective protection of its intellectual property or the intellectual property of the Licensor.

Product Liability Claims

The Company may become subject to liability in connection with the use of the Isotropic Breast Imaging System such as unusual litigation claims that cannot be insured against or against which it may elect not to be so insured because of high premium costs or other reasons. The Company has agreed to indemnify the Licensor under the License Agreement with respect to certain types of claims. However, the Company may incur a liability to third parties (in excess of any insurance coverage) arising from damage or injury.

Risks Relating to the Company's Management

Conflicts of Interest

The Company's Directors and officers may act as directors and/or officers of other companies engaged in the development diagnostic products for the early detection of breast cancer. As such, the Company's Directors and officers may be faced with conflicts of interests when evaluating alternative opportunities. In addition, the Company's Directors and officers may prioritize the business affairs of another Company over the affairs of the Company

The Company's future performance is dependent on its management team

The Company has a small management team and the loss of any key individual could affect the Company's business. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

Risks Relating to the Company's Common Shares

Substantial Number of Authorized but Unissued Shares

The Company has an unlimited number of Common Shares that may be issued by the Board of Directors without further action or approval of the Company's shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Company issues Common Shares from its treasury for financing purposes, control of the Company may change and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the

Common Shares will develop or be sustained after completion of the Offering. The offering price determined by negotiation between the Company and the Agent was based upon several factors, and may bear no relationship to the price that will prevail in the public market. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Liquidity of the Common Shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the Common Shares. Thus an investment in the Common Shares may be difficult to realize. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of Common Shares, realize less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as a short-term investment.

The market price of the Common Shares may not reflect the underlying value of the Company's net assets. The price at which the Common Shares will be traded, and the price at which investors may realize their Common Shares, will be influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the sectors in which the Company operates. Such factors could include the performance of the Company's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Company, and general market and economic conditions.

Volatility of the Common Shares

The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Common Shares distributed hereunder will be affected by such volatility.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Although the Directors will seek to minimize the impact of the risk factors, an investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specializes in investments of this nature before making any decision to invest.

PROMOTERS

Robert Thast, the Company's Chief Executive Officer and a director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Thast owns 6,366,667 Common Shares of the Company, which is 31.06% of the Common Shares outstanding prior to giving effect to the Offering. Mr. Thast also holds 1,183,333 non-transferable common share purchase warrants to purchase Common Shares and 200,000 options to purchase Common Shares. See "*Principal Shareholders*", "*Directors and Executive Officers*", "*Options to Purchase Securities*" and "*Executive Compensation*".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since May 19, 2016, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since inception on May 19, 2016; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on May 19, 2016.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the Directors or executive officers of the Company, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a "related issuer" or a "connected issuer" of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*).

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Dale Matheson Carr Hilton Labonte LLP, located at 1500 – 1140 West Pender Street, Vancouver B.C. V6E 4G1.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company, located at 835 – 409 Granville Street, Vancouver, BC, V6C 1T2.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Company as of the date hereof or which will be entered into prior to the Closing of this Offering and which are regarded presently as material are:

1. License Agreement dated April 25, 2017 for Breast CT for Early Cancer Detection and Diagnosis, Contrast Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery, and 3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT among the Company, IIC, and the Licensor.

2. Stock Option Plan adopted June 15, 2017. See "*Description of the Securities Distributed*".

3. Finder's Fee Letter Agreement dated September 21, 2017 between the Company and Paul Dadwal.

4. Transfer Agent Agreement dated January 31, 2018 between the Company and the Transfer Agent.

5. Escrow Agreement dated February 13, 2018 among the Company, the Escrow Agent, and Robert Thast, Ali Sodagar, Marshall Severyn, and John Boone. See "*Escrowed Securities*".

6. Agency Agreement dated May 10, 2018 between the Company and Chippingham Financial Group Limited. See "*Plan of Distribution*".

EXPERTS

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this prospectus as having prepared or certified a report, valuation, statement or opinion in this prospectus:

(a) The audited financial statements included in this prospectus have been subject to audit by Dale Matheson Carr Hilton Labonte LLP, and their audit report is included herein. Dale Matheson Carr Hilton Labonte LLP is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

In addition, certain legal matters relating to the Offering will be passed upon on behalf of the Company by Clark Wilson LLP, and on behalf of the Agent by McCullough O'Connor Irwin LLP.

None of the foregoing persons or companies have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Audited consolidated financial statements of the Company the period from inception on May 19, 2016 to April 30, 2017 and the unaudited consolidated interim financial statements of the Company as at and for the nine months ended January 31, 2018 are attached as Appendix "A" and Appendix "B" to this prospectus, respectively.

APPENDIX A – APRIL 30, 2017 FINANCIAL STATEMENTS

See Attached.

Izotropic Corporation

CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2017

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of Izotropic Corporation

We have audited the accompanying consolidated financial statement of Izotropic Corporation, which comprise the consolidated statement of financial position as at April 30, 2017, and the consolidated statements of comprehensive loss, changes in shareholder's deficiency and cash flows for the period from incorporation on May 19, 2016 to April 30, 2017, 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have 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 auditor's 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 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 Izotropic Corporation as at April 30, 2017, and its financial performance and its cash flows for the period from incorporation on May 19, 2016 to April 30, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Izotropic Corporation's ability to continue as a going concern.

DMCL

DALE MATHESON CARR-HILTON LABONTE, LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
October 12, 2017

IZOTROPIC CORPORATION

Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)

		As at April 30, 2017
ASSETS		
Current		
Cash	$	149,441
Amount receivable		247
TOTAL ASSETS	$	149,688
LIABILITIES AND SHAREHOLDER'S DEFICIENCY		
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 4)	$	24,085
Promissory note (Note 5)		190,274
Total liabilities		214,359
Shareholder's deficiency		
Share capital (Note 6)		-
Promissory note reserve (Note 5)		33,648
Deficit		(98,319)
Total shareholder's deficiency		(64,671)
TOTAL LIABILITIES AND SHAREHOLDER'S DEFICIENCY	$	149,688

Nature and continuance of operations (Note 1)
Subsequent events (Note 11)

Approved on behalf of the Board:

"Bob Thast"
Bob Thast Director

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

IZOTROPIC CORPORATION

Consolidated Statement of Comprehensive Loss
(Expressed in Canadian Dollars)

	Period from incorporation on May 19, 2016 to April 30, 2017	
Operating expenses		
Consulting (Note 3)	$	22,000
Incorporation		1,632
Interest (Note 5)		23,999
License		13,480
Office		647
Professional fees		26,238
Travel		4,500
Website		5,823
Loss and comprehensive loss	$	98,319

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

IZOTROPIC CORPORATION

Consolidated Statement of Changes in Shareholder's Deficiency
(Expressed in Canadian Dollars)

	Share Capital				
	Number of Shares	Amount	Promissory Note Reserve	Deficit	Total
Balance at May 19, 2016	**1**	**$ -**	**$ -**	**$ -**	**$ -**
Discount recognized upon issuance of promissory note (Note 5)	-	-	33,648	-	33,648
Loss for the period	-	-	-	(98,319)	(98,319)
Balance at April 30, 2017	**1**	**$ -**	**$ 33,648**	**$ (98,319)**	**$ (64,671)**

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

IZOTROPIC CORPORATION

Statement of Cash Flows
(Expressed in Canadian Dollars)

		Period from incorporation on May 19, 2016 to April 30, 2017
Operating activities		
Loss	$	(98,319)
Item not affecting cash:		
Interest		23,923
Changes in non-cash working capital items:		
Amount receivable		(247)
Accounts payable and accrued liabilities		24,084
Cash flows used in operating activities		(50,559)
Financing activity		
Proceeds from promissory note		200,000
Cash flows provided by financing activity		200,000
Increase in cash		149,441
Cash, beginning		-
Cash, ending	$	149,441

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

IZOTROPIC CORPORATION

Notes to the consolidated financial statements
For the period from incorporation on May 19, 2016 to April 30, 2017
(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Izotropic Corporation. (the "Company") was incorporated in the Province of British Columbia on May 19, 2016, under the Business Corporations Act of British Columbia. The Company's head office is located at 15718 39A Avenue, Surrey, British Columbia, Canada. The Company is a research and development company specializing in cancer research and early detection for breast cancer.

As at April 25, 2017, the Company, have entered into an agreement with the Regents of the University of California (the "Regents") for an Exclusive License Agreement related to inventions related to breast cancer detection and treatment (Note 7).

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's financial success is dependent on management's ability to raise adequate financing on reasonable terms and to commence profitable operations in the future. The proposed business of the Company involves a high degree of risk and there is no assurance that the Company will identify proper technologies or inventions that will be successful, and even if so identified and warranted, it may not be able to finance such technologies within the requisite time period. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these financial statements. These financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements were authorized for issue by the Board of Directors on October 13, 2017.

Basic of measurement
These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation
The consolidated financial statements include the accounts of the Company and its controlled entity. The controlled entity is fully consolidated from the date of acquisition, being the date on which the Company obtains control and continues to be consolidated until the date such control ceases. Inter-company balances and transactions have been eliminated upon consolidation.

Use of estimates
The preparation of these consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the going concern of operations and the recoverability of deferred tax assets.

Presentation and functional currency
The functional and presentation currency, as determined by management, of the Company and its subsidiary is Canadian dollar.

Financial instruments
The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash	Loans and receivables
Financial liabilities:	Classification:
Accounts payable	Other financial liabilities
Promissory note	Other financial liabilities

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Other financial liabilities
Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statement of comprehensive loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the consolidated statement of loss and comprehensive loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments recorded at fair value
Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significant of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1 – valuation based on quoted in active markets for identical assets or liabilities;
- Level 2 – valuation techniques based on inputs on the than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Income taxes
Income tax comprises current and deferred tax. Income tax is recognized in the statement of income except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

In general, deferred tax is recognized for unused tax losses and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non–discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Foreign Currency Translation
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Foreign exchange gains and losses are included in the statement of comprehensive loss.

At the end of each reporting period, assets and liabilities of the Company's subsidiaries which have different functional currencies are translated at the rate of exchange at the statement of financial position date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in other comprehensive income or loss for the period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting standards issued but not yet effective

Accounting standards issued but not yet applied by the Company at the date of the approval of the consolidated financial statements, a number of standards and interpretations were in issue but not yet effective. The Company considers that these new standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

3. RELATED PARTY TRANSACTIONS

As at year ended April 30, 2017, the Company owed the Chief Executive Office of the Company $2,305, included in accounts payable and accrued liabilities. During the period ended April 30, 2017, the Company paid a director $18,000 in consulting fees.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		2017
Accounts payable	$	15,786
Accrued liabilities		8,300
Total	$	24,085

5. PROMISSORY NOTE

During the period ended April 30, 2017, the Company entered into a secured promissory note for a principal amount of $200,000, bearing interest at a rate of 5%. The proceeds were received on May 30, 2016 and is payable on demand after May 30, 2018. As security for the promissory note, the Company provided an assignment agreement, exercisable at the sole discretion of the lender, to transfer 1,000,000 escrow shares of the Company, as collateral for interest. Upon full repayment of the promissory note and accrued interest, the assignment agreement will be cancelled unexercised.

On issuance, the estimated fair value of the promissory note was determined to be $166,352, resulting the recognition of a discount of $33,648 upon issuance, which is recorded as promissory note reserve and amortized over the term of the promissory note. During the period ended April 30, 2017, the Company recognized interest and accretion of the discount of $23,923, which has been recorded as interest expense. As of April 30, 2017, the carrying value of the promissory note was $190,274.

6. SHARE CAPITAL

Authorized
Unlimited number of common shares without par value

Issued
During the period ended April 30, 2017, the Company issued one share for $0.01.

Reserves
Reserve includes the discount recognized upon the issuance of the promissory note,

7. LICENSING AGREEMENT

On April 25, 2017, the Company entered into a licensing agreement with the Regents granting the Company an exclusive worldwide license for the Biopsy Systems for breast computed tomography patent and other related patents.

In consideration for this license, the Company agreed to the following terms:

- cash payment of USD $10,000 due within 30 days (subsequently paid);
- cash payment of USD $200,000 due 30 days of the earlier of the following:
  - change of control transaction ("Change of Control"), which means the acquisition, merger, reorganization or other transactions where the Company transfers more than 50% of the voting power of the Company is transferred to a third party; and,
  - licensee financing which means the issuance of debt or equity securities of the Company, in a bona fide financing transactions with cumulative proceeds of USD $3,000,000.
- cash payment of 2% of total consideration received by the Company within 30 days of the completion of a Change of Control; and,
- 3% of net sales from the first 15 commercial sales of all licensed products, in any country.
- 1% royalty of net sales of all licensed services.

The Company is obligated to further development, manufacture, and market the licensed products and services to meet market demand ("Milestones") as follows:

- to submit an application covering a licensed product or licensed services to the U.S. Food and Drug Administration ("FDA") or equivalent foreign agency by June 30, 2018;
- to obtain FDA or equivalent foreign agency approval by December 31, 2021; and,
- to achieve commercial sale and fill the market demand by June 30, 2022.

If the Company is unable to meet the above Milestones, the Company has the right to extend the target date of any Milestones for 1 year for $10,000. The Company has a further right to extend the target date of any Milestone for an additional 12 months upon a payment of $15,000.

8. INCOME TAXES

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	2017
Net loss	$ (98,319)
Statutory tax rate	26%
Expected income tax recovery	(25,563)
Permanent differences	256
Increase in unrecognized deferred assets	25,307
Income tax recovery	$ -

The Company's tax-effected future income tax assets and liabilities are estimated as follows:

	2017
Deferred income tax assets	
Non-capital loss carry-forwards	$ 25,307
Less: Valuation allowance	(25,307)
Net deferred income tax assets	$ -

The tax pools relating to these deductible temporary differences expire as follows:

	2017	Expiry date range
Non-capital losses	$ 25,307	2037

9. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors.

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to any external restrictions on its capital.

10. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash. Cash is held with the same financial institution giving rise to a concentration of credit risk. This risk is managed by using a major Canadian bank that is a high credit quality financial institution.

Liquidity risk
Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company's sole source of funding will be the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Foreign exchange risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. During the year ended April 30, 2017, the Company entered into a licensing agreement denominated in US dollars. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The Company has net financial liabilities of US $10,000. If the US dollar had changed against the Canadian dollar by 10 basis points on June 30, 2017, the Company's net loss would increase by approximately $1,300.

Interest rate risk
Interest rate risk refers to the risk that fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk as cash earn interest income at variable rates. The fair value of cash is minimally affected by changes in short term interest rates.

10. FINANCIAL RISK MANAGEMENT (continued)

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

		2017
Loans and receivables:		
Cash	$	149,441

Financial liabilities included in the statement of financial position are as follows:

		2017
Non-derivative financial liabilities:		
Accounts payable	$	15,786
Promissory note		190,274
	$	206,060

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

11. SUBSEQUENT EVENTS

On May 29, 2017, the Company entered into an agreement with Chippingham Financial Group for the proposed prospectus offering. The offering will consist of 2,000,000 common shares of the Company at a price of $0.10 per share for gross proceeds of $200,000. The Company will pay finders' fees of $15,750 and an agent commission fee equal to 10% of the gross proceeds. The Company agrees to issue stock options which entitle the holders to acquire a total amount equal to 10% of the number of common shares issued pursuant to the offering

On July 17, 2017, the Company completed a private placement of 5,200,000 common shares at a price of $0.01 per share for gross proceeds of $52,000. These shares are issued to directors of the Company.

On July 18, 2017, the Company completed a private placement of 1,800,000 common shares at a price of $0.01 per share for gross proceeds of $18,000.

On August 22, 2017, the Company completed a private placement of 6,499,998 common shares at a piece of $0.06 per share for gross proceeds of $390,000.

APPENDIX B – JANUARY 31, 2018 FINANCIAL STATEMENTS

See Attached.

Izotropic Corporation

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the nine months ended January 31, 2018
(Unaudited)
(Expressed in Canadian Dollars)

IZOTROPIC CORPORATION

Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	As at January 31, 2018 (Unaudited)	As at April 30, 2017
ASSETS		
Current		
Cash	$ 583,563	$ 149,441
Amounts receivable (Note 3)	4,186	247
Prepaid expense	380	-
	588,129	149,688
Equipment (Note 4)	15,228	-
TOTAL ASSETS	$ 603,357	$ 149,688
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Liabilities		
Current		
Accounts payable and accrued liabilities (Notes 5,8)	$ 34,004	$ 24,085
Promissory note (Note 6)	-	190,274
Total liabilities	34,004	214,359
Shareholders' equity (deficiency)		
Share capital (Note 7)	1,160,000	-
Reserves (Note 7)	49,040	33,648
Deficit	(639,687)	(98,319)
Total shareholder's equity (deficiency)	569,353	(64,671)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	$ 603,357	$ 149,688

Approved on behalf of the Board:

"Bob Thast"
Bob Thast Director

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

IZOTROPIC CORPORATION

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

	For the three months ended January 31,		For the nine months ended January 31,	
	2018	2017	2018	2017
Operating expenses				
Amortization (Note 4)	$ 1,829	$ -	$ 2,389	$ -
Consulting (Note 8)	16,330	6,000	61,523	18,000
Donation (Note 10)	-	-	106,497	-
Accretion expenses (Note 6)	-	-	24,726	-
License fee	-	-	200,000	-
Office	(4,711)	517	17,358	7,823
Professional fees	30,146	8,693	110,402	16,517
Share-based payments (Notes 7,8)	25,393	-	49,040	-
Travel	-	-	3,081	2,532
Loss and comprehensive loss	$ 68,987	$ 15,210	$ 575,016	$ 44,872
Loss per share – basic and diluted	$ (0.00)	$ (15,210)	$ (0.04)	$ (44,872)
Weighted average number of common shares outstanding – basic and diluted	20,499,999	1	14,472,028	1

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

IZOTROPIC CORPORATION

Condensed Consolidated Interim Statement of Changes in Shareholder's Equity (Deficiency)
(Expressed in Canadian Dollars - Unaudited)

	Share Capital				
	Number of Shares	Amount	Reserves	Deficit	Total
Balance at May 19, 2016	**1**	**$ -**	**$ -**	**$ -**	**$ -**
Loss for the period	-	-	-	(44,872)	(44,872)
Balance at January 31, 2017	**1**	**$ -**	**$ -**	**$ (44,872)**	**$ (44,872)**
Balance at April 30, 2017	**1**	**$ -**	**$ 33,648**	**$ (98,319)**	**$ (64,671)**
Private Placements (Note 7)	20,499,998	1,160,000	-	-	1,160,000
Share-based payments (Note 7)	-	-	49,040	-	49,040
Promissory note reserve	-	-	(33,648)	33,648	-
Loss for the period	-	-	-	(575,016)	(575,016)
Balance at January 31, 2018	**20,499,999**	**$ 1,160,000**	**$ 49,040**	**$ (639,687)**	**$ 569,353**

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

IZOTROPIC CORPORATION

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - Unaudited)

	For the nine months ended January 31, 2018	For the nine months ended January 31, 2017
Operating activities		
Loss for the period	$ (575,016)	$ (44,872)
Item not affecting cash:		
Accretion expense	24,726	-
Amortization	2,389	-
Share-based payments	49,040	-
Changes in non-cash working capital items:		
Amounts receivable	(3,939)	(154)
Accounts payable and accrued liabilities	9,919	-
Prepaid expense	(380)	-
Cash flows used in operating activities	(493,261)	(45,026)
Investing activities		
Purchases of equipment	(17,617)	-
Cash flows used in financing activities	(17,617)	-
Financing activities		
Proceeds from private placements	1,160,000	-
Proceeds from issuance of loan	-	200,000
Repayment of promissory note	(200,000)	-
Repayment of interest on promissory note	(15,000)	-
Cash flows provided by financing activities	945,000	200,000
Increase in cash	434,122	154,974
Cash, beginning	149,441	-
Cash, ending	$ 583,563	$ 154,974

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

IZOTROPIC CORPORATION

Notes to the Condensed Consolidated Interim Financial Statements
For the nine months ended January 31, 2018
(Expressed in Canadian Dollars - Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Izotropic Corporation. (the "Company") was incorporated in the Province of British Columbia on May 19, 2016, under the Business Corporations Act of British Columbia. The Company's head office is located at 15718 39A Avenue, Surrey, British Columbia, Canada. The Company is a research and development company specializing in cancer research and early detection for breast cancer.

On April 25, 2017, the Company entered into an agreement with the Regents of the University of California (the "Regents") for an Exclusive License Agreement related to breast cancer detection and treatment (Note 9).

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's financial success is dependent on management's ability to raise adequate financing on reasonable terms and to commence profitable operations in the future. The proposed business of the Company involves a high degree of risk and there is no assurance that the Company will identify proper technologies or inventions that will be successful, and even if so identified and warranted, it may not be able to finance such technologies within the requisite time period. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these consolidated interim financial statements. These consolidated interim financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34 – Interim Financial Reporting.

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as of April 5, 2018, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended April 30, 2017. These financial statements do not include all of the information required for full IFRS financial statements and therefore should be read in conjunction with the Company's most recent annual financial statements for the year ended April 30, 2017.

(Expressed in Canadian Dollars - Unaudited)

3. AMOUNTS RECEIVABLE

	January 31, 2018	April 30, 2017
GST receivable	$ 4,186	$ 247
Total	$ 4,186	$ 247

4. EQUIPMENT

	Computer Equipment
Cost:	
At April 30, 2017	$ -
Additions during the period	17,617
At January 31, 2018	$ 17,617
Amortization:	
At April 30, 2017	$ -
Change for the period	2,389
At January 31, 2018	$ 2,389
Net book value:	
At April 30, 2017	$ -
At January 31, 2018	$ 15,228

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2018	April 30, 2017
Accounts payable	$ 20,004	$ 15,785
Accrued liabilities	14,000	8,300
Total	$ 34,004	$ 24,085

6. PROMISSORY NOTE

On April 25, 2016, the Company entered into a secured promissory note for a principal amount of $200,000, bearing interest at a rate of 5%. The proceeds were received on May 30, 2016 and is due on demand after May 30, 2018. As security for the promissory note, the Company provided an assignment agreement, exercisable at the sole discretion of the lender, to transfer 1,000,000 escrow shares of the Company, as collateral. Upon full repayment of the promissory note and accrued interest, the assignment agreement will be cancelled.

On issuance, the estimated fair value of the promissory note was determined to be $166,352, resulting the recognition of a discount of $33,648 upon issuance, which is recorded as promissory note reserve and amortized over the term of the promissory note.

On October 12, 2017, the Company fully repaid the promissory note and accrued interest of $215,000. During the nine months ended January 31, 2018, the Company recognized interest and accretion of $24,726, which has been recorded as interest expense.

7. SHARE CAPITAL

Authorized
Unlimited number of common shares without par value.

Issued share capital during the nine months ended January 31, 2018

On July 17, 2017, the Company issued 1,800,000 common shares at $0.01 per share for gross proceeds of $18,000.

On July 18, 2017, the Company issued 5,200,000 common shares at $0.01 per share for gross proceeds of $52,000.

On August 22, 2017, the Company closed a private placement of 6,499,998 units at a price of $0.06 per unit for gross proceeds of $390,000. Each unit consists of one common share and half of one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.10 per share for a period of 12 months after the date common shares of the Company are listed for trading on a stock exchange.

(Expressed in Canadian Dollars - Unaudited)

7. SHARE CAPITAL (continued)

Issued share capital during the nine months ended January 31, 2018

On October 12, 2017, the Company closed a private placement of 5,000,000 units at a price of $0.10 per unit for gross proceeds of $500,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.10 per share for a period of 12 months after the date common shares of the Company are listed for trading on a stock exchange (the "First Trading Day") and at $0.20 per share from the date that is 12 months and a day from the First Trading Day until the date that is 24 months from the First Trading Day.

On October 31, 2017, the Company closed a private placement of 2,000,000 units at a price of $0.10 per unit for gross proceeds of $200,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.10 per share for a period of 12 months after the First Trading Day and at $0.20 per share from the date that is 12 months and a day from the First Trading Day until the date that is 24 months from the First Trading Day.

Stock Options

As at January 31, 2018, the Company had the following options outstanding and exercisable:

Date of Grant	Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Exercisable
September 20, 2017	September 20, 2022	$ 0.10	1,750,000	437,500
October 20, 2017	October 20, 2022	$ 0.10	200,000	50,000
			1,950,000	487,500

A continuity of the Company's options is as follows:

	January 31, 2018	
	Number of options	Weighted average exercise price
Options outstanding, beginning of period	-	$ -
Options granted	2,150,0000	0.10
Option cancelled	(200,000)	0.10
Options outstanding, end of period	1,950,000	$ 0.10

(Expressed in Canadian Dollars - Unaudited)

7. SHARE CAPITAL (continued)

Stock Options

On September 20, 2017, the Company granted 1,950,000 stock options to the consultants, directors and employee of the Company at an exercise price of $0.10 per share at any time until September 20, 2022. The stock options vest and become exercisable over three years (25% on the grant date and 25% on each anniversary of the grant date). On October 20, 2017, the Company cancelled 200,000 stock options granted to the director.

On October 20, 2017, the Company granted 200,000 stock options to an independent consultant at an exercise price of $0.10 per share at any time until October 20, 2022. The stock options vest and become exercisable over three years (25% on the grant date and 25% on each anniversary of the grant date).

The fair value of stock options granted for the nine months ended January 31, 2018 was $79,449, estimated using the Black-Scholes option pricing model with the following weighted average assumptions: expected life of 5 years, volatility of 100%, dividend yield of 0% and risk-free interest rate of 1.82%. During the nine months ended January 31, 2018, the Company recognized share-based compensation of $49,040.

Share purchase warrants

As at January 31, 2018, the Company had the following warrants outstanding:

Date issued	Expiry date	Exercise price	Number of warrants outstanding
August 22, 2017	August 22, 2018	$ 0.10	3,249,999
October 17, 2017	October 19, 2019	$ 0.10	5,000,000
October 31, 2017	October 31, 2019	$ 0.10	2,000,000
			10,249,999

A continuity of the Company's warrants is as follows:

	January 31, 2018	
	Number of Common Shares Issuable	Weighted Average Exercise Price
Warrants outstanding, beginning	-	$ -
Warrants issued	10,249,999	0.10
Warrants outstanding, ending	10,249,999	$ 0.10

7. SHARE CAPITAL (continued)

Reserves
Reserves include the discount recognized upon the issuance of the promissory note (Note 6) and items recognized as share-based payment and other stock compensation payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

8. RELATED PARTY TRANSACTIONS

During the nine months ended January 31, 2018, the Company paid VP Marketing $22,000 in consulting fees and recorded share-based payments of $27,775 to the directors. As at January 31, 2018, included in accounts payable and accrued liabilities is $130 due to the CEO and $2,000 due to the VP Marketing. The amounts are non-interest bearing, unsecured and have no set repayment terms.

9. LICENSING AGREEMENT

On April 25, 2017, the Company entered into a licensing agreement with the Regents granting the Company an exclusive worldwide license for the Biopsy Systems for breast computed tomography patent and other related patents.

In consideration for this license, the Company agreed to the following terms:

- cash payment of USD $10,000 (CDN $13,971) due within 30 days (paid);
- cash payment of USD $200,000 due 30 days of the earlier of the following:
  - change of control transaction ("Change of Control"), which means the acquisition, merger, reorganization or other transactions where the Company transfers more than 50% of the voting power of the Company is transferred to a third party; and,
  - licensee financing which means the issuance of debt or equity securities of the Company, in a bona fide financing transactions with cumulative proceeds of USD $3,000,000.
- cash payment of 2% of total consideration received by the Company within 30 days of the completion of a Change of Control;
- 3% of net sales from the first 15 commercial sales of all licensed products, in any country; and,
- 1% royalty of net sales of all licensed services.

9. LICENSING AGREEMENT (continued)

The Company is obligated to further develop, manufacture, and market the licensed products and services to meet market demand ("Milestones") as follows:

- to submit an application covering a licensed product or licensed services to the U.S. Food and Drug Administration ("FDA") or equivalent foreign agency by June 30, 2018;
- to obtain FDA or equivalent foreign agency approval by December 31, 2021; and,
- to achieve commercial sale and fill the market demand by June 30, 2022.

If the Company is unable to meet the above Milestones, the Company has the right to extend the target date of any Milestones for 1 year for USD $10,000. The Company has a further right to extend the target date of any Milestone for an additional 1 year upon a payment of USD $15,000.

10. DONATION

During the period ended January 31, 2018, the Company donated USD $85,000 (CDN $106,497) to the Regents of the University of California for breast cancer research.

APPENDIX C – LICENSE AGREEMENT

See Attached.

EXCLUSIVE LICENSE AGREEMENT

AMONGST

ISOTROPIC IMAGING CORP.,

IZOTROPIC CORPORATION,

AND

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

FOR

BREAST CT FOR EARLY CANCER DETECTION AND DIAGNOSIS, CONTRAST-ENHANCED CONE BEAM X-RAY IMAGING, EVALUATION, MONITORING AND TREATMENT DELIVERY, AND 3D BEAM MODULATION FILTER FOR EQUALIZING DOSE AND IMAGE QUALITY IN BREAST CT

UC Case Nos. 2005-543 (UCSD Case No. 2005-204), 2006-740, and 2015-976

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**EXCLUSIVE LICENSE AGREEMENT FOR
BREAST CT FOR EARLY CANCER DETECTION AND DIAGNOSIS,
CONTRAST-ENHANCED CONE BEAM X-RAY IMAGING, EVALUATION,
MONITORING AND TREATMENT DELIVERY, AND
3D BEAM MODULATION FILTER FOR EQUALIZING DOSE AND IMAGE
QUALITY IN BREAST CT**

UC Case Nos. 2005-543 (UCSD Case No. 2005-204),
2006-740, and 2015-976

This exclusive license agreement ("Agreement") is effective April 25, 2017 ("Effective Date") amongst (a) The Regents of the University of California ("The Regents"), a public corporation, having its statewide administrative offices at 1111 Franklin Street, 12th Floor, Oakland, California 94607-5200, acting through UC Davis InnovationAccess, with an address at 1850 Research Park Drive, Suite 100, Davis, California 95618-6153, USA, (b) Izotropic Corporation ("Izotropic"), a Canadian corporation, and (c) Isotropic Imaging Corp. ("Isotropic"), a Nevada corporation, both Isotropic and Izotropic having a principal place of business at 15718 39A Avenue, Surrey, British Columbia, V3Z 0L1, Canada. Isotropic is a wholly owned subsidiary of Izotropic. Isotropic and Izotropic will be collectively referred to herein as "Licensee". The Regents and Licensee will be referred to herein, on occasion, individually as "Party" or collectively as "Parties".

RECITALS

Whereas, The Regents has assignments of title to the inventions entitled "Breast CT for Early Cancer Detection and Diagnosis", "Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery", and "3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT" (the "Inventions"), as described in The Regents' Case Nos. 2005-543 (UCSD Case No. 2005-204), 2006-740, and 2015-976, invented by Dr. John M. Boone, Ph.D., et al., employed by the University of California, Davis, and to the patents and patent applications under Patent Rights as defined below, which are directed to the Inventions;

Whereas, certain Patent Rights referenced as UC Case No. 2005-543 (UCSD Case No. 2005-204) were jointly made by researchers of University of California, Davis ("UCD") and by the University of California, San Diego ("UCSD"), who are employed by The Regents, and UCD entered into an interinstitutional agreement with UCSD (UC Agreement Control No. 2005-18-0575), effective June 6, 2005 ("UCSD IIA"), under which UCD has the authority to license The Regents' entire interest in such Patent Rights referenced as UC Case No. 2005-543 (UCSD Case No. 2005-204) exclusively to Licensee subject to the terms and conditions herein;

Whereas, certain Patent Rights referenced as UC Case No. 2006-740 are jointly-owned with the Varian Medical Systems, Inc. ("Varian"), who may license its undivided interest separately, and The Regents has the right to license The Regents' undivided interest in such jointly-owned Patent Rights exclusively to Licensee subject to the terms and conditions herein;

Whereas, Varian controls the patent prosecution under a Power of Attorney at the U.S. Patent and Trademark Office ("USPTO") for the Patent Rights referenced as UC Case No. 2006-740; however, The Regents, as a joint owner of such Patent Rights, is paying for the maintenance fees at the USPTO;

Whereas, The Regents and Isotropic entered into Confidential Disclosure Agreements (UC Agreement Control Nos. 2016-20-0791 and 2017-20-0160) effective May 12, 2016 and August 25, 2016, respectively ("Confidentiality Agreement"), for the purpose of allowing Isotropic to evaluate its interest in a license agreement covering the Inventions;

Whereas, The Regents and Izotropic entered into a Confidential Disclosure Agreement (UC Agreement Control No. 2017-20-0066) effective August 10, 2016 ("Confidentiality Agreement"), for the purpose of allowing Izotropic to evaluate its interest in a license agreement covering the Inventions;

Whereas, The Regents and Licensee entered into a Letter Agreement for UC Case No. 2005-543 (UCSD Case No. 2005-204) (UC Agreement Control No. 2016-30-0792) effective May 12, 2016 ("Letter Agreement"), for the purpose of granting Licensee an exclusive right to negotiate an exclusive license under Patent Rights;

Whereas, Licensee has provided The Regents with a commercialization plan for the Inventions in order to allow The Regents to evaluate Licensee's capabilities;

Whereas, the development of the Inventions was sponsored in part by one or more agencies of the United States Government; The Regents elected to retain title to the Inventions subject to the rights of the United States Government under 35 U.S.C. 200-212 and implementing regulations; and The Regents has granted to the United States Government a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practiced the Inventions for or on behalf of the United States Government throughout the world;

Whereas, Licensee is a "small entity" as defined in 37 C.F.R. 1.27;

Whereas, The Regents and Licensee desire to have the Inventions developed and commercialized so that products resulting therefrom may be available for public use and benefit; and

Whereas, Licensee desires to acquire, and The Regents desires to grant, a license under Patent Rights to make, use, sell, offer for sale, and import products, methods, and services in accordance with the terms herein.

Now, therefore, the Parties agree as follows:

1. DEFINITIONS

1.1 "Affiliate" of Licensee (or of a Sublicensee, respectively) means any entity that, as of the applicable point in time during the term of this Agreement, directly or indirectly Controls Licensee (or a Sublicensee, respectively), is Controlled by Licensee (or a Sublicensee, respectively), or is under common Control with Licensee (or a Sublicensee, respectively). "Control" means (a) having the actual, present capacity to elect a majority of the directors of such entity, (b) having the power to direct at least fifty percent (50%) of the voting rights entitled to elect directors of such entity, or (c) in any country where the local law will not permit foreign equity participation of a majority of the outstanding stock or voting rights

of such entity, the ownership or control, directly or indirectly, of the maximum percentage of such outstanding stock or voting rights permitted by local law.

1.2 “Licensed Field of Use” means human diagnostics and therapeutics.

1.3 “Licensed Method” means any process or method the use or practice of which, (a) but for the license granted pursuant to this Agreement, would infringe, or contribute to or induce the infringement of, a Valid Claim of any issued, unexpired patent under Patent Rights, or (b) is covered by a claim in a pending patent application under Patent Rights. As used in Subparagraph (b) of this Paragraph 1.3, “covered by a claim in a pending patent application” means that such use or practice would, but for the license granted pursuant to this Agreement, constitute infringement, contributory infringement, or inducement of infringement, of such claim if such claim were issued.

1.4 “Licensed Product” means any product, material, kit, or other article of manufacture or composition of matter, the making, use, Sale, offer for Sale, or import of which (a) but for the license granted pursuant to this Agreement, would infringe, or contribute to or induce the infringement of, a Valid Claim of any issued, unexpired patent under Patent Rights, (b) is covered by a claim in a pending patent application under Patent Rights, or (c) or would require the performance of the Licensed Method. As used in Subparagraph (b) of this Paragraph 1.4, “covered by a claim in a pending patent application” means that such making, use, Sale, offer for Sale, or import would, but for the license granted pursuant to this Agreement, constitute infringement, contributory infringement, or inducement of infringement, of such claim if such claim were issued.

1.5 “Licensed Service” means a service provided using Licensed Products or Licensed Methods, including, but not limited to, performing medical imaging scans or CT scans, and/or providing information from such scans and including, without limitation, any such service provided in the form of contract research or other research performed by Licensee on behalf of a third party.

1.6 “Licensed Territory” means the United States and its territories and possessions, and any foreign countries where approvals are granted or where Patent Rights exist may result in future.

1.7 “Net Sales” means the gross invoice price charged by, and the value of non-cash consideration owed to, Licensee or a Sublicensee for Sales of Licensed Products, Licensed Methods, and Licensed Services, less the sum of the following actual and customary deductions to the extent applicable: (a) cash, trade or quantity discounts; (b) sales, use, tariff, import or export duties, or other excise taxes, when included in Sales, but not value-added taxes assessed on (or income taxes derived from) such Sales; and (c) allowances or credits to customers because of rejections or returns. For purposes of calculating Net Sales, a Sale by Licensee to a Sublicensee for end use by the Sublicensee will be treated as a Sale at Licensee’s list price.

1.8 “Patent Rights” means The Regents' rights in the claims of the following patents and patent applications:

(a) U.S. Provisional Patent Application No. 60/677,704, filed May 3, 2005, entitled “Biopsy Systems for Breast Computed Tomography”, developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to The Regents (UC Case No. 2005-543-1; UCSD Case No. 2005-204-1), now abandoned;

(b) International Patent Application No. PCT/US06/17146, filed May 3, 2006, entitled “Biopsy Systems for Breast Computed Tomography”, developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to The Regents, (UC Case No. 2005-543-1; UCSD Case No. 2005-204-2), now abandoned, application proceeded into national phase;

(c) U.S. Patent Application No. 11/913,494, filed May 3, 2006, entitled “Biopsy Systems for Breast Computed Tomography”, developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to The Regents (UC Case No. 2005-543-2; UCSD Case No. 2005-204-2);

(d) U.S. Patent No. 7,394,889, issued July 1, 2008, from U.S. Patent Application No. 11/437,076, filed May 18, 2006, entitled “Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery”, developed by Drs. John M. Boone, et al., and assigned to The Regents and Varian (UC Case No. 2006-740-1);

(e) U.S. Patent No. 7,660,384, issued February 9, 2010, from U.S. Patent Application No. 12/126,224, filed May 23, 2008, entitled “Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery”, developed by Drs. John M. Boone, et al., and assigned to The Regents and Varian (UC Case No. 2006-740-2);

(f) U.S. Provisional Patent Application No. 62/260,169, filed November 25, 2015, entitled “3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT”, developed by Drs. John M. Boone, et al., and assigned to The Regents (UC Case No. 2015-976-1), now abandoned;

(g) International Patent Application No. PCT/US16/063701, filed November 23, 2016, entitled “3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT”, developed by Drs. John M. Boone, et al., and assigned to The Regents (UC Case No. 2015-976-2); and

continuing applications thereof, including divisions, substitutions, extensions and continuation-in-part applications (only to the extent, however, that claims in the continuation-in-part applications are entitled to the priority filing date of the applicable above-listed parent patent application); patents issuing on said applications or continuing applications; reissues of such patents; and corresponding foreign patents or applications of any of the foregoing.

1.9 “Sale” means the act of selling, leasing, or otherwise transferring or providing Licensed Products, Licensed Methods, and Licensed Services for any consideration. Correspondingly, “Sell” means to make or cause to be made a Sale, and “Sold” means to have made or caused to be made a Sale.

1.10 “Sublicense” means a sublicense under this Agreement.

1.11 “Sublicensee” means a sublicensee under this Agreement.

1.12 “Sublicense Agreement” means a sublicense agreement under this Agreement.

1.13 “Valid Claim” means a claim of a patent in any country, which claim (a) has not expired and (b) has not been held to be invalid by a final judgment of a court of competent jurisdiction from which no appeal can be or is taken.

1.14 “Milestone Events” mean the Licensee Financing and a Change of Control Transaction.

1.15 "Change of Control Transaction" means the acquisition, consolidation, merger, reorganization or other transaction or series of transactions in which (i) Izotropic or Isotropic, as the case may be, is a constituent party, or (ii) a subsidiary of Izotropic or Isotropic is a constituent party and Izotropic or Isotropic, as the case may be, issues shares of its capital stock pursuant to such transaction, and pursuant to which greater than fifty percent (50%) of the voting power of Izotropic or Isotropic or a subsidiary of Licensee is transferred to a third party. However, a transaction involving a third party will not be considered as a Change of Control Transaction if such transaction or series of transactions does not provide liquidity to at least a majority of Izotropic’s or Isotropic’s stockholders, as the case may be, existing prior to such transaction, either in the form of cash or stock that is freely tradable and listed on a national or international securities exchange or market.

1.17 “Licensee Financing” means the issuance of debt or equity securities of either Izotropic or Isotropic, as the case may be, in a bona fide financing transaction or a series of related bona fide financing transactions with cumulative proceeds to Izotropic or Isotropic, as the case may be, of Three Million Dollars U.S. ($3,000,000 U.S.) excluding the conversion of any convertible debt and in which the proceeds to be received by either Izotropic or Isotropic, as the case may be, are principally from investors who are venture capital, private equity, or similar investors.

2. GRANT

2.1 Subject to the limitations set forth in this Agreement, including, without limitation, the license granted to the United States Government referred to in the Recitals above and the rights reserved in Paragraph 2.2, The Regents hereby grants to Licensee:

(a) an exclusive license in Patent Rights for UC Cases Numbered 2005-543 and 2015-976, in the Licensed Field of Use in the Licensed Territory, (a) to

make, have made, use, offer for Sale, import, and Sell Licensed Products and Licensed Services, and (b) to practice Licensed Methods; and

(b) an exclusive license to The Regents' undivided interest (but not to Varian's undivided interest) in Patent Rights for UC Case Number 2006-740, in the Licensed Field of Use in the Licensed Territory, (a) to make, have made, use, offer for Sale, import, and Sell Licensed Products and Licensed Services, and (b) to practice Licensed Methods.

2.2 The Regents reserves the right to do any one or more of the following:

(a) publish any technical data resulting from research performed by The Regents relating to the Inventions;

(b) make, use, and import the Inventions and associated technology for educational and research purposes;

(c) practice Patent Rights for educational and research purposes, including in order to make, use, and import products, and in order to use and practice methods; and

(d) allow other educational and non-profit institutions to do any one or more of the activities of Subparagraphs (a), (b), and (c) of this Paragraph 2.2, for educational and research purposes.

2.3 Licensee will promptly inform The Regents (a) of any change in Licensee's small entity status, as defined in 37 C.F.R. 1.27, and (b) of any Sublicense to an entity which does not have small entity status, as defined in 37 C.F.R. 1.27. Subject to the foregoing, The Regents acknowledges Licensee's intent to become a publicly listed company in Canada in 2017.

2.4 To the extent required by 35 U.S.C. 204 and implementing regulations, any Licensed Products which are sold in the United States will be substantially manufactured in the United States.

3. SUBLICENSES

3.1 The Regents hereby further grants to Licensee the right to grant to Affiliates of Licensee, to Affiliates of Sublicensees, and to third parties a Sublicense under the rights granted to Licensee hereunder, provided that Licensee has exclusive rights under this Agreement at the time of the grant of the Sublicense. Every Sublicense will include:

(a) a statement setting forth the date upon which Licensee's exclusive license rights hereunder will expire;

(b) a provision requiring the performance by the Sublicensee of all the obligations owed by Licensee to The Regents (and, if applicable, the United States Government) under this Agreement other than those rights and obligations specified in Article 4 (License Issue Fee/Maintenance Fees) and Paragraph 5.3 (Minimum Annual Royalty);

(c) a provision requiring payment of royalties to Licensee in an amount sufficient to permit Licensee to meet Licensee’s royalty obligations to The Regents at the rates and bases set forth in this Agreement;

(d) a prohibition on the grant of further Sublicenses; and

(e) a provision imposing on the Sublicensee the same obligation of indemnification which Licensee has under Article 18 (Indemnification).

3.2 Licensee will pay to The Regents twenty-five percent (25%) of any cash consideration, and of the cash equivalent of all other consideration, which is due to Licensee for the grant of rights under a Sublicense, excluding payments due to Licensee as a royalty based on Sales by the Sublicensee. Payment owed to The Regents under this Paragraph 3.2 is in addition to payments owed by Licensee to The Regents as Earned Royalties under Paragraph 5.1 below based on Sales by the Sublicensee.

3.3 Within thirty (30) days of execution of each Sublicense Agreement, or amendment thereof, Licensee will inform The Regents of such executed

Sublicense Agreement or amendment, and Licensee will furnish to The Regents a copy of such Sublicense Agreement or amendment.

3.4 Affiliates of Licensee and Affiliates of Sublicensees will have no licenses under Patent Rights except as granted by Licensee in a Sublicense pursuant to this Agreement.

3.5 For the purposes of this Agreement, the operations of Sublicensees under their respective Sublicense Agreements will be deemed to be the operations of Licensee, for which Licensee will be responsible.

3.6 Licensee will collect and guarantee payment of all monies and other consideration due The Regents under this Agreement from Sublicensees.

3.7 Upon termination of this Agreement for any reason, at The Regents' discretion, all Sublicenses that are granted by Licensee pursuant to this Agreement, where the Sublicensee is in compliance with its Sublicense Agreement as of the date of such termination, will remain in effect and will be assigned to The Regents, except that The Regents will not be bound to perform any obligations set forth in any Sublicenses that extend beyond the obligations of The Regents set forth in this Agreement.

4. FEES

4.1 Licensee will pay to The Regents a non-creditable, non-refundable license issue fee (“License Issue Fee”) of Ten Thousand Dollars ($10,000) due within thirty (30) days after the execution of this Agreement by the Parties. The License Issue Fee is non-refundable and not an advance against royalties or other payments due under this Agreement. The duty to pay the License Issue Fee will survive any expiration or termination of this Agreement.

4.2 Within thirty (30) days of the completion of a “Licensee Financing” or a “Change of Control”, Izotropic or Isotropic as the case may be will pay to The Regents a cash payment of Two Hundred Thousand Dollars U.S. ($200,000 U.S.).

4.3 Additionally, within thirty (30) days of the completion of a “Change of Control”, Izotropic or Isotropic as the case may be, will pay The Regents an additional fee equal to two percent (2%) of the total consideration received by Izotropic or Isotropic in connection with such Change of Control.

4.4 For the avoidance of doubt, The Regents shall be eligible to receive the payments set forth herein upon the occurrence of a Milestone Event for either of Izotropic and Isotropic, so long as Izotropic or Isotropic, as applicable, continue to maintain a business in connection with the exclusive license or non-exclusive license under this Agreement. Such payments set forth herein shall be in priority and preference to payment to any holders of equity or other securities of Izotropic or Isotropic, as the case may be.

5. ROYALTIES

5.1 Licensee will pay to The Regents three percent (3%) of Net Sales from first commercial Sale of Licensed Product including, but not limited to, all CT scanners or medical imaging devices in U.S. and for first fifteen (15) Sales in any country. Licensee will also pay to The Regents earned royalties (“Earned Royalties”) at the rate of one percent (1%) of the Net Sales of all Licensed Methods, and Licensed Services including, but not limited to, performing medical imaging scans or CT scans, and/or providing information from such scans.

5.2 Earned Royalties accruing to The Regents will be paid to The Regents, to be accompanied by the corresponding royalty report as required in Paragraph 7.4, quarterly within sixty (60) days after the end of each calendar quarter as follows: May 31 (for first quarter), August 31 (for second quarter), November 30 (for third quarter), and February 28 (for fourth quarter).

5.3 All payments due The Regents will be payable in United States dollars. When Licensed Products and Licensed Services are Sold for monies other than United States dollars, Earned Royalties will first be determined in the foreign currency of the country in which the Sale was made and then converted into equivalent United States dollars. The exchange rate will be that rate quoted in the *Wall Street Journal* on the last business day of the reporting period.

5.4 Earned Royalty payments due to The Regents for Sales occurring in any country outside the United States will not be reduced by any taxes, fees, or other charges imposed by the government of such country on the remittance of royalty income. Licensee will also be responsible for all bank transfer charges for payments to The Regents.

5.5 Licensee will make all payments under this Agreement either by check or electronic transfer, payable to “The Regents of the University of California” and Licensee will forward such payments to The Regents at the address shown in Paragraph 23.1.

5.6 If any patent or patent application, or any claim thereof, included within Patent Rights expires, or is held invalid or unpatentable in a final decision by a court of competent jurisdiction and last resort and from which no appeal has been or can be taken, all obligations to pay Earned Royalties based on such patent, patent application, or claim will cease as of the date of such expiration or final decision. Licensee will not, however, be relieved from paying any Earned Royalties that accrued before such expiration or final decision or that are based on another patent, patent application, or claim within Patent Rights which is not expired, or which is not held invalid or unpatentable in such final decision.

5.7 No Earned Royalties will be collected or paid hereunder on Sales to, or Sales for use by, the United States Government. Licensee will reduce the amount charged for such Sales by an amount equal to the Earned Royalties otherwise due The Regents as provided herein.

6. DILIGENCE

6.1 Licensee will diligently proceed with the development, manufacture, marketing, and Sale of Licensed Products, Licensed Methods, and Licensed Services in quantities sufficient to meet the market demand.

6.2 In addition to Licensee's obligations under Paragraph 6.1, Licensee will accomplish the following milestones in Licensee's activities under this Agreement:

(a) submit an application covering a Licensed Product or Licensed Service to the U.S. Food and Drug Administration ("FDA") or equivalent foreign agency by June 30, 2018;

(b) obtain FDA or equivalent foreign agency approval covering a Licensed Product or Licensed Service by December 31, 2021; and

(c) achieve first commercial Sale and fill the market demand of a Licensed Product or Licensed Service in the United States by June 30, 2022.

6.3 If Licensee is unable to meet any of its diligence obligations set forth in Paragraphs 6.1 and 6.2, then The Regents will so notify Licensee of failure to perform. Licensee will have the right and option to extend the target date of any such diligence obligation for a period of twelve (12) months upon the payment of Ten Thousand Dollars ($10,000) within the thirty (30)-day period prior to the date to be extended, for each such extension option exercised by Licensee. Licensee may further extend the target date of any diligence obligation for an additional twelve (12) months upon payment of an additional Fifteen Thousand Dollars ($15,000). Additional extensions may be granted only by written agreement of the Parties. Notwithstanding the above, under no circumstance will the total diligence period described in Paragraph 6.2 exceed seven (7) years from Effective Date without written agreement of the Parties. These payments are in addition to any other payments owed under this Agreement. Should Licensee opt not to extend the obligation or fail to meet the obligation by the extended target date, then The Regents will have the right and option either to terminate this Agreement or to reduce Licensee's exclusive license to a non-exclusive license. This right, if exercised by The Regents, supersedes the rights granted in Article 2 (Grant).

6.4 To exercise either the right to terminate this Agreement or to reduce the license to a non-exclusive license for lack of diligence under Paragraph 6.1 or 6.2, The Regents will give Licensee written notice of the deficiency. Licensee thereafter will have sixty (60) days to cure the deficiency. If The Regents has not received

satisfactory written evidence that the deficiency has been cured by the end of the sixty (60)-day period, then The Regents may, at its option, either terminate the Agreement or reduce Licensee's exclusive license to a non-exclusive license by giving written notice to Licensee. These notices will be subject to Article 22 (Notices).

7. PROGRESS AND ROYALTY REPORTS

7.1 For the six (6)-month period commencing June 30, 2017, and within sixty (60) days of each December 31 and June 30 following the end of such six (6)-month period, Licensee will submit to The Regents a semi-annual progress report covering Licensee's activities related to the development and testing of Licensed Products, Licensed Services, and Licensed Methods, including the obtaining of necessary governmental approvals, if any, for marketing in the United States. These progress reports will be made until the first Sale occurs in the United States.

7.2 Each progress report will be a sufficiently detailed summary of activities of Licensee and any Sublicensees so that The Regents may evaluate and determine Licensee’s progress in the development of Licensed Products, Licensed Services, and Licensed Methods, and in meeting Licensee’s diligence obligations under Article 6, and will include (but not be limited to) the following: (a) summary of work completed and in progress; (b) current schedule of anticipated events and milestones, including diligence milestones under Paragraph 6.2; (c) anticipated market introduction dates for the Licensed Territory; and (d) Sublicensees’ activities during the reporting period.

7.3 If Licensee’s progress report is immediately subsequent to the first Sale of a Licensed Product, Licensed Method, or a Licensed Service by Licensee or by a Sublicensee, Licensee will report the date of such first Sale.

7.4 After the first Sale of a Licensed Product, Licensed Method, or a Licensed Service, Licensee will make quarterly royalty reports to The Regents, to be accompanied by the corresponding Earned Royalty payment as required in Paragraph 5.2, within sixty (60) days after the quarters ending March 31, June

30, September 30, and December 31, of each year. Each such royalty report will include at least the following:

(a) the volume of Licensed Products, Licensed Method, and Licensed Services Sold;

(b) gross revenue from Sale of Licensed Products, Licensed Method, and Licensed Services;

(c) Net Sales pursuant to Paragraph 1.7, and the calculation of Net Sales, including all deductions taken, so that The Regents can confirm the calculation;

(d) total Earned Royalties due The Regents;

(e) names and addresses of Sublicensees for any new Sublicenses entered into during the reporting quarter; and

(f) indicate which patent or patent application covers each Licensed Product and Licensed Service Sold.

7.5 If no Sales of Licensed Products, Licensed Method, or Licensed Services have occurred during the report period, the royalty report will contain a statement to this effect.

8. BOOKS AND RECORDS

8.1 Licensee will keep full, true, and accurate books of accounts containing all particulars that may be necessary for the purpose of showing (a) the amount of Earned Royalties payable to The Regents, and (b) Licensee’s compliance with obligations under this Agreement. For five (5) years following the end of the calendar year to which they pertain, said books and the supporting data will be open, during normal business hours upon reasonable notice, to the inspection and audit by representatives of The Regents for the purpose of verifying Licensee's royalty reports or compliance in other respects with this Agreement. Such representatives will be required to hold all information in confidence except as necessary to communicate Licensee's non-compliance with this Agreement to The Regents.

8.2 The fees and expenses of The Regents' representatives performing such an examination will be borne by The Regents, provided that if an error in underpaid royalties to The Regents of more than five percent (5%) of the total Earned Royalties due for any year is discovered, then the fees and expenses of these representatives in conducting such examination will be borne by Licensee.

9. LIFE OF THE AGREEMENT

9.1 Unless otherwise terminated by operation of law or by acts of the Parties in accordance with the terms of this Agreement, this Agreement will be in effect from the Effective Date and will remain in effect for the life of the last-to-expire patent or last-to-be-abandoned patent application licensed under this Agreement, whichever is later.

9.2 Any termination of this Agreement will not affect the rights and obligations set forth in the following:

Article 1	Definitions
Article 3	Sublicenses
Article 4	Fees/Equity
Article 8	Books and Records
Article 9	Life of the Agreement
Article 12	Disposition of Licensed Products Upon Termination
Paragraphs 13.3	Payment of Patent Costs
Article 15	Use of Names and Trademarks
Article 16	Limited Warranties
Article 18	Indemnification
Article 22	Notices
Article 23	Payments
Article 25	Confidentiality
Article 28	Applicable Law; Venue; Attorneys’ Fees
Article 29	Scope of Agreement

9.3 Any termination of this Agreement will not relieve Licensee of Licensee's obligation to pay any payment due or owing at the time of such termination and will not relieve any obligations, owed by either Party to the other Party, established prior to termination.

10. TERMINATION BY THE REGENTS

10.1 If Licensee should violate or fail to perform any term of this Agreement, then The Regents may give written notice of such default ("Notice of Default") to Licensee. If Licensee should fail to repair such default within sixty (60) days of the effective date of such notice, The Regents will have the right to terminate this Agreement and the licenses herein by a second written notice ("Notice of Termination") to Licensee. If a Notice of Termination is sent to Licensee, this Agreement will automatically terminate on the effective date of such notice. Such termination will not relieve Licensee of Licensee's obligation to pay any royalty or license fees owing at the time of such termination and will not impair any accrued rights of The Regents. These notices will be subject to Article 22 (Notices).

10.2 Notwithstanding Paragraph 10.1, this Agreement will terminate immediately, if Licensee files a claim including in any way the assertion that any portion of Patent Rights is invalid or unenforceable, where the filing of such claim is by Licensee, by a third party on behalf of Licensee, or by a third party at the urging of Licensee.

10.3 Notwithstanding Paragraph 10.1, this Agreement will terminate immediately in the event of Licensee's insolvency or the filing of a petition for relief under the United States Bankruptcy Code by or against Licensee as a debtor or alleged debtor.

11. TERMINATION BY LICENSEE

11.1 Licensee will have the right at any time to terminate this Agreement in whole or as to any portion of Patent Rights by giving notice in writing to The Regents. Such notice of termination will be subject to Article 22 (Notices) and such

termination of this Agreement in whole or in part will be effective ninety (90) days after the effective date of such notice of termination.

11.2 Any termination pursuant to Paragraph 11.1 will not relieve Licensee of any obligation or liability accrued hereunder prior to such termination or rescind anything done by Licensee or any payments made to The Regents hereunder prior to the time such termination becomes effective, and such termination will not affect in any manner any rights of The Regents arising under this Agreement prior to such termination.

12. DISPOSITION OF LICENSED PRODUCTS UPON TERMINATION

12.1 Upon termination of this Agreement, for a period of one hundred and twenty (120) days after the date of termination, Licensee may complete the making of, and may Sell, any partially made Licensed Products, and Licensee may continue the practice of Licensed Methods only to the extent necessary to do the foregoing; provided that all such Sales will be subject to the terms of this Agreement including, but not limited to, the payment of royalties at the rate and at the time provided herein and the rendering of reports thereon.

13. PATENT PROSECUTION AND MAINTENANCE

13.1 The Regents will prosecute and maintain the patent applications and patents under Patent Rights, subject to Licensee’s reimbursement of The Regents’ out-of-pocket costs under Paragraph 13.3. All patent applications and patents under Patent Rights will be held in the name of The Regents. The Regents will have sole responsibility for retaining and instructing patent counsel. The Regents will promptly provide Licensee with copies of all official patent office correspondence, and Licensee agrees to keep this documentation confidential in accordance with Article 25 (Confidentiality). Licensee may comment upon such documentation, and The Regents will take such comments into account, provided that if Licensee has not commented upon such documentation in reasonable time for The Regents to sufficiently consider Licensee’s comments prior to the deadline for filing a response with the relevant government patent office, The Regents will be free to respond appropriately without consideration of Licensee's comments.

Notwithstanding the above, Varian controls the patent prosecution under a Power of Attorney at the USPTO for the Patent Rights referenced as UC Case No. 2006-740. The Regents, as a joint owner of such Patent Rights, is paying for the maintenance fees at the USPTO.

13.2 The Regents will use reasonable efforts to prepare or amend any patent application within Patent Rights to include claims reasonably requested by Licensee to protect the Licensed Products or Licensed Services contemplated to be Sold or Licensed Methods to be practiced under this Agreement.

13.3 Subject to Paragraph 13.4, all past, present, and future costs for preparing, filing, prosecuting, and maintaining all patent applications and patents under Patent Rights (including, without limitation, the cost of interferences, reexaminations, oppositions, post-grant review, inter partes review, supplemental examinations, and other patent office administrative proceedings, and their appeals) ("Patent Costs"), which have not been previously reimbursed to The Regents, will be paid by Licensee, so long as the licenses granted to Licensee herein are exclusive. Such payments by Licensee for such costs are due within thirty (30) days after receipt by Licensee of invoice from The Regents. With respect to Patent Costs that are not Past Patent Costs (as defined below), if The Regents so requests, Licensee will make such Patent Costs payments in advance, with any such payment in advance to be made by the date specified by The Regents. In the event of such request by The Regents for payment of Patent Costs in advance and failure of Licensee to make such payment in advance by the date specified, The Regents will have no obligation to incur such costs and Licensee will no longer have rights to the patent application or patent for which such costs are due. If, however, The Regents reduces the exclusive licenses granted herein to non-exclusive licenses pursuant to Paragraph 6.3 or Paragraph 6.4, and The Regents grants one or more additional licenses, the subsequent costs of preparing, filing, prosecuting, and maintaining such patent applications and patents will be divided equally among the licensed parties from the effective date of each subsequently granted license agreement.

All Patent Costs incurred prior to the Effective Date of this Agreement, which have not been previously reimbursed to The Regents, are approximately

Seventy-nine Thousand Eight Hundred Seventy-one Dollars and Eighty Cents ($79,871.80) (“Past Patent Costs”). Licensee will reimburse The Regents for the Past Patent Costs according to the following schedule: one-third of Past Patent Costs due on or before the first anniversary of the Effective Date of this Agreement, one-third of Past Patent Costs due on or before the second anniversary of the Effective Date of this Agreement, and one-third of Past Patent Costs due on or before the third anniversary of the Effective Date of this Agreement.

13.4 Licensee's obligation to pay all patent preparation, filing, prosecution, and maintenance costs for Patent Rights will continue for so long as this Agreement remains in effect, provided that Licensee may terminate Licensee’s obligations with respect to any given patent application or patent under Patent Rights in any designated country upon three (3) months’ written notice to The Regents. In the event of such notice to The Regents, The Regents will undertake to curtail applicable Patent Costs billable to Licensee. The Regents may continue prosecution and maintenance of such patent applications or patents at The Regents’ sole discretion and expense, provided that Licensee will have no further right or licenses thereunder.

14. MARKING

14.1 Licensee will mark all Licensed Products made, used, offered for Sale, imported, or Sold under this Agreement, or their containers, in accordance with applicable patent marking laws.

15. USE OF NAMES AND TRADEMARKS

15.1 Nothing contained in this Agreement will be construed as conferring upon either Party any right to use in advertising, publicity, or other promotional activities any name, trademark, trade name, or other designation of the other Party (including any contraction, abbreviation, or simulation of any of the foregoing). Unless required by law or consented to in writing by The Regents, Licensee will not use the name “The Regents of the University of California” or the name of any

University of California campus in advertising, publicity, or other promotional activities. Notwithstanding the foregoing, Licensee hereby grants permission for The Regents (including UC Davis) to include Licensee's name, company logo, a short description of the company, and a link to Licensee's website in The Regents' and UC Davis' annual reports and similar presentations, and on The Regents' (including UC Davis') websites that showcase technology transfer-related stories. Notwithstanding the preceding, Licensee has the right to disclose all aspects of its business plans or other information required by Canadian securities and regulatory bodies in the course of pursuing a public offering, including in its "prospectus filing", website and collateral materials used in normal course business.

16. LIMITED WARRANTIES

16.1 The Regents warrants to Licensee that The Regents has the lawful right to grant this license.

16.2 This license and the associated rights to the Inventions are provided to Licensee WITHOUT WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. THE REGENTS MAKES NO REPRESENTATION OR WARRANTY THAT PRACTICE OF THE INVENTIONS OR PATENT RIGHTS (INCLUDING MAKING, USING, SELLING, OFFERING TO SELL, OR IMPORTING LICENSED PRODUCTS, LICENSED SERVICES, OR LICENSED METHODS) WILL NOT INFRINGE ANY PATENT OR OTHER PROPRIETARY RIGHT.

16.3 IN NO EVENT WILL THE REGENTS BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM EXERCISE OF THIS LICENSE OR A SUBLICENSE, OR THE USE OF THE INVENTIONS, PATENT RIGHTS, LICENSED METHODS, LICENSED SERVICES, OR LICENSED PRODUCTS.

16.4 Nothing in this Agreement is or will be construed as:

(a) a warranty or representation by The Regents as to the patentability, validity, enforceability, or scope of Patent Rights;

(b) a warranty or representation that anything made, used, Sold, offered for Sale, or imported under any license granted in this Agreement is or will be free from infringement of patents of third parties;

(c) an obligation to bring or prosecute actions or suits against third parties for patent infringement;

(d) conferring by implication, estoppel, or otherwise any license or rights under any patent applications or patents of The Regents other than Patent Rights, regardless of whether such patent applications or patents are dominant or subordinate to Patent Rights; or

(e) an obligation to furnish any know-how not provided in the patents and patent applications under Patent Rights.

17. PATENT INFRINGEMENT

17.1 In the event that Licensee learns of the substantial infringement of any Patent Rights, Licensee will promptly provide The Regents with notice and reasonable evidence of such infringement ("Infringement Notice"). During the time period and in a jurisdiction where Licensee has exclusive rights under this Agreement, neither Party will notify a third party, including the infringer, of the infringement without first obtaining consent of the other Party, which consent will not be unreasonably withheld. The Parties will use diligent efforts, in cooperation with each other, to terminate such infringement without litigation.

17.2 (a) If such infringing activity has not been abated within ninety (90) days following the effective date of the Infringement Notice, Licensee may initiate suit for patent infringement against the infringer. The Regents may voluntarily join as a party in such suit at The Regents' expense, but The Regents may not thereafter separately initiate suit against the infringer for the acts of infringement that are the subject of Licensee's suit or any judgment rendered in that suit. Licensee may not cause The Regents to be joined as a party in a suit initiated by Licensee without The Regents' prior written consent. If, in a suit initiated by Licensee, The

Regents is involuntarily caused to be joined as a party, Licensee will pay any costs incurred by The Regents arising out of such suit, including, but not limited to, any legal fees of counsel that The Regents selects and retains to represent it in the suit.

(b) If, within a hundred and twenty (120) days following the effective date of the Infringement Notice, the infringing activity has not been abated and if Licensee has not initiated suit against the infringer, The Regents may in its sole discretion initiate suit for patent infringement against the infringer. If The Regents initiates such suit, Licensee may not join such suit without The Regents' consent, and Licensee may not thereafter separately initiate suit against the infringer for the acts of infringement that are the subject of The Regents' suit or any judgment rendered in that suit.

17.3 Such suit initiated under Paragraph 17.2 will be at the expense of the initiating Party and all recoveries recovered thereby will belong to such Party, provided that suits initiated jointly by The Regents and Licensee will be at the joint expense of the Parties and all recoveries will be allocated in the following order: (a) to each Party reimbursement for its attorneys' costs, fees, and other related out-of-pocket expenses, to the extent such Party paid for such costs, fees, and expenses until all such costs, fees, and expenses are consumed for such Party; and (b) any remaining amount shared jointly by the Parties in proportion to the share of expenses paid by each Party, but in no event will The Regents' share be less than twenty-five percent (25%) of such remaining amount. The foregoing notwithstanding, if such suit is initiated by Licensee and The Regents is not a party, The Regents' share of any recoveries will be twenty-five percent (25%) of the amount of such recoveries remaining after reimbursement to Licensee of Licensee's attorneys' costs, fees and other related out-of-pocket expenses. In any suit initiated by The Regents, any recovery will belong to The Regents.

17.4 Each Party will cooperate with the other Party in litigation initiated hereunder but at the expense of the initiating Party. Such litigation will be controlled by the initiating Party bringing the action, except that The Regents may be represented by counsel of its choice in any suit initiated by Licensee.

17.5 Any agreement made by Licensee for the purposes of settling litigation initiated hereunder or other related dispute will comply with the requirements of Article 3 (Sublicenses). In no event may Licensee admit liability or wrongdoing on behalf of The Regents without The Regents' prior written consent.

18. INDEMNIFICATION

18.1 Licensee will, and will require Sublicensees to, indemnify, hold harmless, and defend The Regents and its officers, employees, and agents; sponsors of the research that led to the Inventions; and the inventors of any patents and patent applications under Patent Rights and their employers; against any and all claims, suits, losses, damages, costs, fees, and expenses resulting from or arising out of exercise of this license or any Sublicense. This indemnification will include, but not be limited to, any product liability.

18.2 Licensee, at its sole cost and expense, will insure its activities in connection with any work performed hereunder and will obtain, keep in force, and maintain the following insurance:

(a) Prior to Licensee's or Sublicensee's first use of Licensed Product, Licensed Service, or Licensed Method in humans including clinical trials, the Commercial Form General Liability Insurance (contractual liability included) with limits will be as follows:

Each Occurrence	$500,000
Products/Completed Operations Aggregate	$1,000,000
Personal and Advertising Injury	$500,000
General Aggregate	$1,000,000

For clarity, if Licensee or Sublicensee is not making, using, or Selling Licensed Product, Licensed Service, or Licensed Method, Licensee or Sublicensee will not be required to obtain Products/Completed Operations Aggregate insurance coverage at the level indicated above in Paragraph 18.2(a). Licensee or Sublicensee will maintain the Commercial Form General Liability Insurance (contractual liability included) with above limits for the other items listed above.

However, upon Licensee or Sublicensee making, using, or Selling a Licensed Product, Licensed Service, or Licensed Method, Licensee or Sublicensee shall procure Products/Completed Operations Aggregate insurance coverage at the level indicated above in Paragraph 18.2(a).

(b) Upon Licensee's or Sublicensee's first use of Licensed Product, Licensed Service, or Licensed Method in humans including clinical trials, the Commercial Form General Liability Insurance (contractual liability included) with limits as follows:

Each Occurrence	$5,000,000
Products/Completed Operations Aggregate	$10,000,000
Personal and Advertising Injury	$5,000,000
General Aggregate	$10,000,000

If the above insurance is written on a claims-made form, it will continue for three (3) years following termination or expiration of this Agreement. The insurance will have a retroactive date of placement prior to or coinciding with the Effective Date of this Agreement; and

(c) Worker's Compensation as legally required in the jurisdiction in which Licensee is doing business.

18.3 The coverage and limits referred to in Subparagraphs 18.2(a), 18.2(b), and 18.2(c) will not in any way limit the liability of Licensee under this Article 18 (Indemnification). Upon the execution of this Agreement, Licensee will furnish The Regents with certificates of insurance evidencing compliance with all requirements, and Licensee will promptly notify The Regents of any material modification of the insurance coverages. Such certificates will:

(a) provide for thirty (30) days' (ten (10) days for non-payment of premium) advance written notice to The Regents of any cancellation of insurance coverages;

(b) indicate that The Regents has been endorsed as an additional insured under the coverage described in Subparagraphs 18.2(a) and 18.2(b); and

(c) include a provision that the coverage will be primary and will not participate with, nor will be excess over, any valid and collectable insurance or program of self-insurance maintained by The Regents.

18.4 The Regents will promptly notify Licensee in writing of any claim or suit brought against The Regents for which The Regents intends to invoke the provisions of this Article 18 (Indemnification). In no event may Licensee admit liability or wrongdoing on behalf of The Regents or any other indemnitee without The Regents' prior written consent. Licensee will keep The Regents informed of Licensee's defense of any claims pursuant to this Article 18 (Indemnification).

19. COMPLIANCE WITH LAWS/EXPORT CONTROLS

19.1 Licensee will comply with all applicable international, national, state, regional, and local laws and regulations in performing its obligations hereunder and in Licensee's use, manufacture, Sale, offer for Sale, or import of the Licensed Products or Licensed Services, or in Licensee's practice of Licensed Methods. Without limitation, Licensee will observe all applicable United States and foreign laws and regulations governing the transfer to other countries of technical data related to Licensed Products, Licensed Services, or Licensed Methods, including, without limitation, with respect to the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations.

19.2 Licensee understands that The Regents is subject to United States laws and regulations (including the Arms Export Control Act, as amended, and the Export Administration Act of 1979) controlling the export of technical data, computer software, laboratory prototypes, and other commodities, and The Regents' obligations to Licensee under this Agreement are contingent on and subject to compliance with such laws and regulations. The transfer of certain technical data or commodities may require a license from an agency of the United States Government or written assurances by Licensee or a Sublicensee that Licensee or a Sublicensee will not export such technical data or commodities to certain foreign countries without prior approval of such agency. The Regents neither represents that such a license will not be required nor that, if required, it will be issued.

20. GOVERNMENT APPROVAL OR REGISTRATION

20.1 If this Agreement or any associated transaction is required by the law of any nation to be either approved or registered with any governmental agency, Licensee will assume all legal obligations to do so. Licensee will notify The Regents if Licensee becomes aware that this Agreement is subject to a United States or foreign government reporting or approval requirement. Licensee will make all necessary filings and pay all costs, including fees, penalties, and all other out-of-pocket costs, associated with such reporting or approval process.

21. ASSIGNMENT

21.1 This Agreement is binding upon and will inure to the benefit of The Regents and to The Regents' successors and assigns. This Agreement is personal to Licensee and assignable by Licensee only with the written consent of The Regents, provided that Licensee may, on written notice to The Regents, assign this Agreement, including, without limitation, all obligations owed to The Regents hereunder, to an acquiror of all or substantially all of Licensee's stock or assets.

22. NOTICES

22.1 All notices under this Agreement will be deemed to have been fully given and effective when done in writing and (a) delivered in person, (b) mailed by registered or certified United States mail, or (c) deposited with a carrier service requiring signature by recipient, and addressed as follows:

To The Regents: UC Davis InnovationAccess
1850 Research Park Drive, Suite 100
Davis, CA 95618-6153, USA
Attn: Executive Director
Ref: UC Case No. 2005-543

To Licensee: Isotropic Imaging Corp.
15718 39A Avenue
Surrey, British Columbia, V3Z 0L1
Canada
Attn: _____

Either Party may change its address upon written notice to the other Party.

23. PAYMENTS

23.1 Payments to The Regents will be made by check or bank wire transfer to the address below. Licensee will be responsible for any bank fees associated with such wire transfers:

Checks: [*redacted*]

Bank wire: [*redacted*]

23.2 If monies owed to The Regents under this Agreement are not received by The Regents when due, Licensee will pay to The Regents interest charges at a rate of ten percent (10%) per annum. Such interest will be calculated from the date

payment was due until actually received by The Regents. Such accrual of interest will be in addition to, and not in lieu of, enforcement of any other rights of The Regents related to such late payment. Acceptance of any late payment will not constitute a waiver under Article 24 (Waiver).

24. WAIVER

24.1 The failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement will not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party. None of the terms and conditions of this Agreement can be waived except by the written consent of the Party waiving compliance.

25. CONFIDENTIALITY

25.1 Subject to Paragraph 15.1 of this Agreement, with respect to disclosures by one Party (“Disclosing Party”) to the other Party (“Receiving Party”) under this Agreement, the Receiving Party will, subject to Paragraphs 25.2 and 25.3, hold the Disclosing Party's proprietary business and technical information, patent prosecution material, and other proprietary information, including the negotiated terms of this Agreement (all such proprietary information referred to collectively herein as “Proprietary Information”), in confidence and against disclosure to third parties, with at least the same degree of care as the Disclosing Party exercises to protect the Disclosing Party’s own data and information of a similar nature. This obligation will expire five (5) years after the termination or expiration of this Agreement.

25.2 With respect to Proprietary Information disclosed by the Disclosing Party to the Receiving Party, nothing contained herein will in any way restrict or impair the right of the Receiving Party to use, disclose, or otherwise deal with any information or data which:

(a) at the time of disclosure to the Receiving Party by the Disclosing Party is available to the public by publication or otherwise, or thereafter becomes

available to the public by publication or otherwise through no act of the Receiving Party;

(b) the Receiving Party can show by written record was in the Receiving Party's possession prior to the time of disclosure to the Receiving Party hereunder and was not acquired by the Receiving Party from the Disclosing Party;

(c) is independently made available to the Receiving Party without restrictions as a matter of right by a third party, as demonstrated by written record;

(d) is independently developed by employees or agents of the Receiving Party who did not have access to the information disclosed by the Disclosing Party, as demonstrated by written record; or

(e) is subject to disclosure under the California Public Records Act or other requirements of law, and self-regulatory bodies in Canada, including the policies of any stock exchange upon which the shares of Licensee are listed.

25.3 The Regents will be free to release to the inventors, The Regents' senior administrators, and individual Regents the terms and conditions of this Agreement upon their request. If such release is made, The Regents will inform such individuals of the confidentiality obligations set forth above and will request that such individuals not disclose such terms and conditions to others. Subject to Paragraph 15.1, should a third party inquire whether a license to Patent Rights is available, The Regents may disclose the existence of this Agreement and the extent of the grant in Articles 2 (Grant) and 3 (Sublicenses) to such third party but, unless Licensee so consents, The Regents will not otherwise disclose the name of Licensee (or other negotiated terms of this Agreement) unless (a) Licensee or a third party has already made such disclosure publicly, or (b) such disclosure is required under the California Public Records Act or other requirements of law.

25.4 With respect to Proprietary Information that has not already been made public, each Party agrees that within fifteen (15) days following the effective date of termination or expiration of this Agreement it will destroy or return to the Disclosing Party Proprietary Information received from the Disclosing Party which

is in the possession of the Receiving Party. However, each Receiving Party may retain one copy of Proprietary Information received from the Disclosing Party for archival purposes in non-working files for the sole purpose of verifying the ownership of the Proprietary Information, provided such Proprietary Information will be subject to the confidentiality provisions set forth in this Article 25 (Confidentiality). Subject to such right to retain for archival purposes, each Receiving Party agrees to provide to the Disclosing Party, within thirty (30) days following termination of this Agreement, a written notice that Proprietary Information received from the Disclosing Party has been returned or destroyed.

26. SEVERABILITY

26.1 The provisions of this Agreement are severable, and in the event that any provision of this Agreement is determined to be invalid or unenforceable under any controlling law, such invalidity or enforceability will not in any way affect the validity or enforceability of the remaining provisions hereof.

27. APPLICABLE LAW; VENUE; ATTORNEYS' FEES

27.1 Except where required by regulatory bodies in Canada, this Agreement will be construed, interpreted, and applied in accordance with the laws of the State of California, excluding any choice-of-law rules that would direct the application of the laws of another jurisdiction, except that the scope and validity of any patent or patent application under Patent Rights will be determined by the applicable law of the country of such patent or patent application. Any legal action brought by one Party against the other Party relating to this Agreement will be conducted in San Francisco, California. The prevailing Party in any such legal action under this Agreement will be entitled to recover its reasonable attorneys' fees in addition to its costs and necessary disbursements.

28. SCOPE OF AGREEMENT

28.1 Neither Party will use this Agreement as a basis to invoke the CREATE Act, 35 U.S.C. 102(c), without the written consent of the other Party.

28.2 This Agreement incorporates the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous communications, representations, or understandings, whether oral or written, between the Parties relating to the subject matter hereof. The Confidentiality Agreements specified in the Recitals above, effective May 12, 2016, August 10, 2016, August 25, 2016, and the Letter Agreement specified in the Recitals above, effective May 12, 2016, are hereby superseded.

28.3 This Agreement may be modified only by written amendment duly executed by the Parties.

In witness whereof, the Parties have executed this Agreement in duplicate originals by their respective authorized officers or representatives on the respective dates below.

ISOTROPIC IMAGING CORP.

By: "*Robert L. Thast*"
Signature

Name: Robert L. Thast

Title: President

Date: April 25, 2017

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

By: "*William T. Tucker*"
Signature

Name: William T. Tucker

Title: Executive Director
UC Davis InnovationAccess

Date: April 25, 2017

IZOTROPIC CORPORATION

By: "*Robert L. Thast*"
Signature

Name: Robert L. Thast

Title: President

Date: April 25, 2017

APPENDIX D– AUDIT COMMITTEE CHARTER

See attached.

As approved by the Board of Directors: November 16, 2017

IZOTROPIC CORPORATION
(the "**Corporation**")

AUDIT COMMITTEE CHARTER

1. MANDATE

The audit committee will assist the board of directors of the Corporation (the "**Board**") in fulfilling its financial oversight responsibilities. The committee will review and consider, in consultation with the Corporation's external auditors, the financial reporting process, the system of internal control over financial reporting and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the Corporation's business, operations and risks.

2. COMPOSITION

The Board will appoint, from among their membership, an audit committee after each annual meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must be "independent" (as defined in Sec. 1.4 of National Instrument 52-110 (Audit Committees)) ("**NI 52-110**").

2.2 Expertise of Committee Members

A majority of the members of the audit committee must be "financially literate" (as defined in Sec. 1.6 of NI 52-110) or must become financially literate within a reasonable period of time after their appointment to the committee. At least one member of the committee must have accounting or related financial management expertise.

3. MEETINGS

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

4. ROLES AND RESPONSIBILITIES

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, or performing other audit, review or attestation services, including the resolution of disagreements between management and the external auditors regarding financial reporting. In carrying out this duty, the audit committee shall:

(a) recommend to the Board that the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attestation services for the Corporation;

(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors;

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards; and

(f) review and approve the Corporation's hiring policies regarding partners and employees, and former partners and employees, of the present and former external auditor of the Corporation.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information of the Corporation prior to their release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions;

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate;

Annual Financial Statements

(c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered;

(e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public;

Interim Financial Statements

(f) review and approve the interim financial statements prior to their release to the public;

(g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public; and

Release of Financial Information

(h) where reasonably possible, review and approve all public disclosure containing financial information, including news releases, prior to release to the public. An audit committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and must periodically assess the adequacy of those procedures.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and the external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the audit committee; and

(c) communicate directly with the internal and external auditors.

6. GUIDANCE – ROLES & RESPONSIBILITIES

The audit committee should consider undertaking the actions described in the following guidance, which is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

(a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

(b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

(c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;

6.2 Financial Reporting

General

(a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements;

(b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

(c) understand industry best practices and the Corporation's adoption of them;

Annual Financial Statements

(d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;

(e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

(g) consider management's handling of proposed audit adjustments identified by the external auditors; and

(h) ensure that the external auditors communicate all required matters to the committee;

Interim Financial Statements

(i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

(j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements;

(k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

  (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

  (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the Corporation's operations and financing practices;

  (iii) generally accepted accounting principles have been consistently applied;

  (iv) there are any actual or proposed changes in accounting or financial reporting practices;

  (v) there are any significant or unusual events or transactions;

(vi) the Corporation's financial and operating controls are functioning effectively;

(vii) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

(viii) the interim financial statements contain adequate and appropriate disclosures;

6.3 Compliance with Laws and Regulations

(a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";

(b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and

(c) review the findings of any examinations by securities regulatory authorities and stock exchanges; and

6.4 Other Responsibilities

(a) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements.

CERTIFICATE OF THE COMPANY

Dated: May 14, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

"Robert Thast"	*"Donald Barry Lee"*
Robert Thast Chief Executive Officer	Donald Barry Lee Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Ali Sodagar"	*"Marshall Severyn"*
Ali Sodagar Director	Marshall Severyn Vice President - Marketing and Director

CERTIFICATE OF THE PROMOTER

Dated: May 14, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

"Robert Thast"

Robert Thast
Promoter

CERTIFICATE OF THE AGENT

Dated: May 14, 2018

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, and Ontario.

Chippingham Financial Group Limited

"Leslie Allan Frame"

Leslie Allan Frame
Head of Western Operations