



NEWSLETTER

Issue: June 2019

VISIONSTATE UPDATES

Sales Update

Since April 2018, the Company has added 18 new locations, 12 of which were in Canada, 2 in the US, and 4 in the UK, across multiple industries, including retail, healthcare, gaming and grocery. In Canada, through the exclusive strategic partnership with Bunzl Canada, Visionstate introduced WANDA to 6 new hospitals, 2 malls, an office building, a conference centre, 2 grocery stores and 2 casinos. In the U.K., three of four new locations were added in the past three months in locations such as the U.K. head office of the World Wildlife Fund. The number of locations has nearly doubled compared to 2017.

Overall, YTD the Company added approximately 80 devices, of both 10- and 15-inch WANDA sizes, as well as people-counting sensors. There are now approximately 160 devices in the market globally.

Further sales growth is expected now that Visionstate's largest distribution partner has been fully trained and has an aggressive marketing and sales campaign in place. Visionstate is also in the process of expanding its partnership with several additional distributors which will encompass sales, marketing and PR strategies to further promote WANDA in the US market.

Technology Update

In May 2019, Visionstate successfully launched the cellular-based version of WANDA via TELUS' LTE-M network. The success enabled Visionstate to sell a plug-and-play version of WANDA that leverages the power of TELUS' LTE-M network, which was built specifically for IoT device connectivity. This will help to decrease deployment times and expand WANDA's market potential in diverse locations.

SHOW CANADA 2019

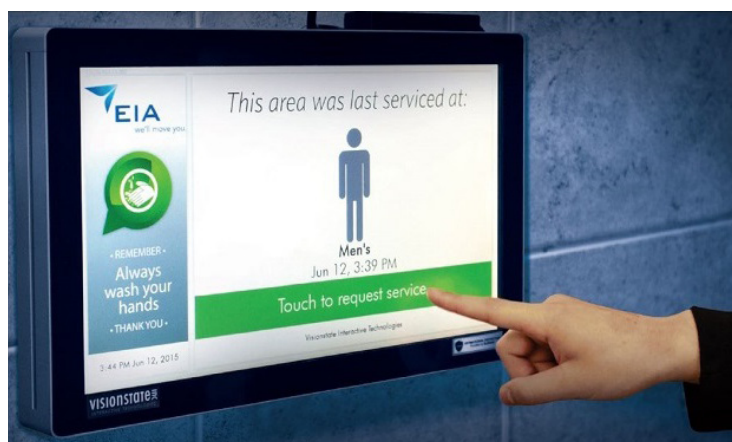
WANDA Featured at the Canadian ISSA Show

On June 12-13, Bunzl, Visionstate's strategic distribution partner, introduced WandaNEXT™ technology at the International Sanitary Supply Association (ISSA) show in Canada. The ISSA show is an amazing opportunity to expose the disruptive technology of Visionstate IoT to over 9,000 organizations in the professional cleaning industry. Attendees were able to test the WandaNEXT™ smart restroom monitoring system to learn how to more efficiently manage restroom cleaning programs, get critical insights into traffic and consumable use and dramatically improve customer experience.

Typically, installations have relied on Wi-Fi connection which, despite being a good option, is not always available at the installation locations. As a result of a number of tests, Visionstate produced a cellular-based connectivity solution for its WANDA product that can now be installed without the need to configure wireless networks in the area of installation, which significantly reduces the roll-out time.

Corporate Update

In March 2019, James F. Adams, PhD., CFA, joined VIS's Board of Directors. Based in New York, Dr. Adams has over twenty-five years of financial industry experience at J.P. Morgan serving clients across regions and businesses. As a Managing Director in Markets & Investor Services, he most recently led asset owner relationship management and emerging technology solutions. Dr. Adams recently left J.P. Morgan to pursue teaching, consulting and advisory opportunities and is currently an Adjunct Professor of Finance and Risk Engineering at New York University's Tandon School of Engineering.



In April, Visionstate announced a private placement of up to 10M common shares at a price of \$0.025 per share for gross proceeds of up to \$250,000. The Offering included one half warrant at \$0.05 cents for every common share purchased. The private placement closed on June 14. Details of the closing and money received.

Visionstate intends to use the proceeds as follows: WANDA software development, specifically IoT (Internet of Things) buttons and a mobile app integrated with

WANDA, WANDA hardware inventory for internal sales, and general working capital.

PARTNER UPDATES

Exceed Solar

- Exceed Solar has completed R&D (Research and Development) on its smart, energy efficient living spaces, and is now in sales mode with two sales already made in Q1 2019: one for its 450 square foot Garden Suite to an Indigenous community in Alberta and one unit of its Sol Bank made to a residential home in Edmonton, Alberta. The Sol Bank is an 8x12 backyard utility space with approximately 1.5 kw/hr solar energy that has tremendous flexibility in adding a power module to a backyard or rural property. Together these sales represent approximately \$150,000 in revenue.
- Exceed has recently entered into an option agreement to commence development of the Sol Village project on approximately 53 acres of developable land near Pigeon Lake, which will include 30 Sol Spaces powered by a solar micro grid as well as community gardening and greenhouses.
- Exceed Solar continued to provide seminars on climate change and opportunities in renewable energy and participated in an Indigenous sponsored event in April 2019. These seminars had proven valuable in terms of building relationships with the local First Nations communities.



Freedom Cannabis

- Freedom Cannabis received Cultivation and Medicinal Sales Licences from Health Canada in April 2019. The company expects to produce over 3,000 kilograms of dry cannabis per year.
- Following the successful start of Phase 1, Freedom will continue with the buildout of Phase 2 of its 126,000 square foot (total) indoor grow facility. Located entirely within the existing building envelope, Phase 2 is expected to add an additional 12,000 kilograms per year of production capacity. In addition, construction of Freedom's laboratory facilities will continue, including extraction, analytics and R&D.
- Freedom Cannabis installed a state-of-the-art solar array at its 126,000 square foot facility in Acheson, Alberta, located 20 kilometres west of Edmonton. The 1,830 kW solar array, supplied by ENMAX, is Canada's largest rooftop solar install to-date.



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