

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2020

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the period from _____ to _____

Commission file number: 000-56074

BIOTRICITY INC.

(Exact name of registrant as specified in its charter)

Nevada
State or other jurisdiction
of incorporation or organization)

30-0983531
(I.R.S. Employer
Identification No.)

**275 Shoreline Drive, Suite 150
Redwood City, California 94065**
(Address of principal executive offices)

(650) 832-1626
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act).

Large accelerated filer
Non-accelerated filer
Emerging growth company

Accelerated filer
Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 33,647,809 shares of Common Stock, \$0.001 par value, at August 14, 2020. As at that same date, the Company also has 3,608,522 Exchangeable Shares outstanding that convert directly into common shares, which when combined with its Common Stock produce an amount equivalent to 37,256,315 outstanding voting securities.

BIOTRICITY INC.

<u>Part I – Financial Information</u>	
<u>Item 1 – Condensed Consolidated Financial Statements</u>	3
<u>Item 2 – Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	20
<u>Item 3 – Quantitative and Qualitative Disclosures About Market Risk</u>	27
<u>Item 4 – Controls and Procedures</u>	27
<u>Part II – Other Information</u>	
<u>Item 1 – Legal Proceedings</u>	28
<u>Item 2 – Unregistered Sales of Equity Securities and Use of Proceeds</u>	28
<u>Item 3 – Defaults Upon Senior Securities</u>	28
<u>Item 4 – Mine Safety Disclosures</u>	28
<u>Item 5 – Other Information</u>	28
<u>Item 6 – Exhibits</u>	28
<u>Signatures</u>	29

PART 1
FINANCIAL INFORMATION

Item 1 – Condensed Consolidated Financial Statements

<u>Condensed Consolidated Balance Sheets at June 30, 2020 (unaudited) and March 31, 2020 (audited)</u>	4
<u>Condensed Consolidated Statements of Operations and Comprehensive Loss for the three months ended June 30, 2020 and 2019 (unaudited)</u>	5
<u>Condensed Consolidated Statements of Stockholders' Deficiency for the three months ended June 30, 2020 and 2019 (unaudited)</u>	6
<u>Condensed Consolidated Statements of Cash Flows for the three months ended June 30, 2020 and 2019 (unaudited)</u>	7
<u>Notes to the Condensed Consolidated Financial Statements</u>	8

BIOTRICITY INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT JUNE 30, 2020 (unaudited) and MARCH 31, 2020 (audited)
(Expressed in US Dollars)

	As at June 30, 2020 (unaudited)	As at March 31, 2020 (audited)
	\$	\$
CURRENT ASSETS		
Cash	64,875	949,848
Accounts receivable, net	663,687	486,187
Inventory	236,106	85,720
Deposits and other receivables	159,391	137,074
Total current assets	1,124,061	1,658,829
NON-CURRENT ASSETS		
Deposits	-	33,000
Long-term accounts receivable	50,148	48,115
Operating lease right-of-use assets <i>[Note 10]</i>	214,884	264,472
TOTAL ASSETS	1,389,093	2,004,416
CURRENT LIABILITIES		
Accounts payable and accrued liabilities <i>[Note 4]</i>	1,728,472	1,521,689
Convertible promissory notes and short term loans <i>[Note 5]</i>	1,871,389	2,068,302
Operating lease obligations, current <i>[Note 10]</i>	221,143	213,030
Total current liabilities	3,821,004	3,803,021
NON CURRENT LIABILITIES		
Federally guaranteed loans <i>[Note 6]</i>	1,570,990	-
Derivative liabilities <i>[Note 7]</i>	982,340	1,144,733
Operating lease obligations, long term <i>[Note 10]</i>	-	57,055
TOTAL LIABILITIES	6,374,244	5,004,809
STOCKHOLDERS' DEFICIENCY		
Preferred stock, \$0.001 par value, 10,000,000 authorized as at June 30 and March 31, 2020, respectively, 1 share issued and outstanding as at June 30 and March 31, 2020, respectively <i>[Note 8]</i>	1	1
Series A Preferred stock, \$0.001 par value (20,000 shares designated as authorized as at June 30 and March 31, 2020); 8,045 and 7,830 shares issued and outstanding as at June 30 and March 31, 2020, respectively <i>[Note 8]</i>	8	8
Common stock, \$0.001 par value, 125,000,000 authorized as at June 30 and March 31, 2020, respectively. Issued and outstanding common shares: 33,384,769 and 32,593,769 as at June 30 and March 31, 2020, respectively, and exchangeable shares of 3,788,062 as at June 30 and March 31, 2020 <i>[Note 8]</i>	37,173	36,382
Shares to be issued (25,000 and 178,750 shares of common stock as at June 30 and March 31, 2020, respectively) <i>[Note 8]</i>	22,194	169,490
Additional paid-in-capital	45,676,539	44,015,397
Accumulated other comprehensive loss	(962,308)	(857,307)
Accumulated deficit	(49,758,758)	(46,364,364)
TOTAL STOCKHOLDERS' DEFICIENCY	(4,985,151)	(3,000,393)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	1,389,093	2,004,416

See accompanying notes to unaudited condensed consolidated interim financial statements

BIOTRICITY INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED JUNE 30, 2020 AND 2019
(Expressed in US Dollars)

	Three Months Ended June 30, 2020 (unaudited) \$	Three Months Ended June 30, 2019 (unaudited) \$
REVENUE	451,898	327,000
Cost of revenue	191,462	150,586
Gross Profit	260,436	176,414
EXPENSES		
General and administrative expenses <i>[Notes 7, 8 and 9]</i>	3,205,233	2,052,519
Research and development expenses	423,883	213,496
TOTAL OPERATING EXPENSES	3,629,116	2,266,015
Other income <i>[Note 3]</i>	(7,359)	-
Change in fair value of derivative liabilities <i>[Note 7]</i>	(204,142)	-
NET LOSS BEFORE INCOME TAXES	(3,157,179)	(2,089,601)
Income taxes	-	-
NET LOSS	(3,157,179)	(2,089,601)
Less: Preferred Stock Dividends <i>[Note 8]</i>	237,215	-
NET LOSS ATTRIBUTED TO COMMON STOCKHOLDERS	(3,394,394)	(2,089,601)
Translation adjustment	(105,001)	(22,586)
COMPREHENSIVE LOSS	(3,499,395)	(2,112,187)
LOSS PER SHARE, BASIC AND DILUTED	(0.900)	(0.060)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	36,768,299	35,397,458

See accompanying notes to unaudited condensed consolidated interim financial statements

BIOTRICITY INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIENCY
FOR THE THREE MONTHS ENDED JUNE 30, 2020 AND 2019 (UNAUDITED)

	Preferred stock		Common stock and exchangeable common shares		Shares to be Issued		Additional paid in capital	Accumulated other comprehensive (loss) income	Accumulated deficit	Total
	Shares	\$	Shares	\$	Shares	\$				
March 31, 2020	7,831	9	36,381,831	36,382	178,750	169,490	44,045,397	(857,307)	(46,364,364)	3,000,393
Issuance of preferred stock	215	-	-	-	-	-	215,000	-	-	215,000
Derivative liabilities adjustment	-	-	-	-	-	-	(41,749)	-	-	(41,749)
Issuance of shares for services	-	-	791,000	791	(153,750)	(147,296)	1,210,259	-	-	1,063,754
Issuance of warrants for services	-	-	-	-	-	-	45,113	-	-	45,113
Stock based compensation - ESOP	-	-	-	-	-	-	232,519	-	-	232,519
Issuance cost	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	-	(105,001)	-	(105,001)
Net loss before dividends for the period	-	-	-	-	-	-	-	-	(3,157,179)	(3,157,179)
Preferred stock dividends	-	-	-	-	-	-	-	-	(237,215)	(237,215)
June 30, 2020	8,046	9	37,172,831	37,173	25,000	22,194	45,676,539	(962,308)	(49758,758)	(4,985,151)

	Preferred stock		Common stock and exchangeable common shares		Shares to be Issued		Additional paid in capital	Accumulated other comprehensive (loss) income	Accumulated deficit	Total
	Shares	\$	Shares	\$	Shares	\$				
March 31, 2019	1	1	35,361,656	35,362	62,085	91,498	33,889,916	(754,963)	(35,039,495)	(1,777,681)
Issuance of shares for private placement	-	-	22,585	23	-	-	13,980	-	-	14,003
Issuance of shares for services	-	-	30,835	31	350,415	217,878	350,415	-	-	251,625
Issuance of warrants for services	-	-	-	-	-	-	19,955	-	-	19,955
Stock based compensation - ESOP	-	-	-	-	-	-	338,889	-	-	338,889
Translation adjustment	-	-	-	-	-	-	-	(22,586)	-	(22,586)
Net loss for the period	-	-	-	-	-	-	-	-	(2,089,601)	(2,089,601)
June 30, 2019	1	1	35,415,060	35,415	412,500	309,375	34,296,458	(777,549)	(37,129,096)	(3,265,396)

See accompanying notes to unaudited condensed consolidated interim financial statements

BIOTRICITY INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED JUNE 30, 2020 AND 2018
(Expressed in US Dollars)

	Three Months Ended June 30, 2020 (unaudited) \$	Three Months Ended June 30, 2019 (unaudited) \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before dividends	(3,157,179)	(2,089,601)
<i>Adjustments to reconcile net loss to net cash used in operations</i>		
Stock based compensation	232,519	338,889
Issuance of shares for services	1,063,754	251,625
Issuance of warrants for services	45,113	19,955
Change in fair value of derivative liabilities	(204,142)	-
<i>Changes in operating assets and liabilities:</i>		
Accounts receivable	(179,533)	(178,530)
Inventory	(150,386)	(15,013)
Deposits and other receivables	10,717	35,291
Accounts payable and accrued liabilities	(53,974)	308,379
Net cash used in operating activities	(2,393,110)	(1,328,375)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common shares, net	-	14,003
Issuance of preferred shares	100,000	-
Proceeds from federally guaranteed loans	1,570,900	-
Issuance (repayment) of convertible promissory notes and short term loans	(96,913)	1,315,799
Net cash provided by financing activities	1,573,987	1,329,802
Effect of foreign currency translation	(65,851)	(17,324)
Net increase (decrease) in cash during the period	(819,123)	1,427
Cash, beginning of period	949,848	63,647
Cash, end of period	64,875	47,750

See accompanying notes to unaudited condensed consolidated interim financial statements

BIOTRICITY INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2020 (Unaudited)
(Expressed in US dollars)

1. NATURE OF OPERATIONS

Biotricity Inc. (formerly MetaSolutions, Inc.) (the “Company”) was incorporated under the laws of the State of Nevada on August 29, 2012. iMedical Innovations Inc. (“iMedical”) was incorporated on July 3, 2014 under the laws of the Province of Ontario, Canada and became a wholly-owned subsidiary of Biotricity through reverse take-over.

Both the Company and iMedical are engaged in research and development activities within the remote monitoring segment of preventative care. They are focused on a realizable healthcare business model that has an existing market and commercialization pathway. As such, its efforts to date have been devoted in building technology that enables access to this market through the development of a tangible product.

2. BASIS OF PRESENTATION, MEASUREMENT AND CONSOLIDATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”) for interim financial information and the Securities and Exchange Commission (“SEC”) instructions to Form 10-Q and Article 8 of SEC Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements and should be read in conjunction with Biotricity’s audited financial statements for the years ended March 31, 2020 and 2019 and their accompanying notes.

The accompanying unaudited condensed consolidated financial statements are expressed in United States dollars (“USD”). In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of financial position and results of operations for the interim periods presented have been reflected herein. Operating results for the three months ended June 30, 2020 are not necessarily indicative of the results that may be expected for the year ending March 31, 2021. The Company’s fiscal year-end is March 31.

The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. Significant intercompany accounts and transactions have been eliminated.

Liquidity and Basis of Presentation

The Company is an emerging growth entity that is in the early stages of commercializing its first product and is concurrently in development mode, operating a research and development program in order to develop, obtain regulatory approval for, and commercialize other proposed products. The Company has incurred recurring losses from operations, and as at June 30, 2020, has an accumulated deficit of \$49,758,758 and a working capital deficiency of \$2,696,943. The Company launched its first commercial sales program as part of a limited market release, during the year ended March 31, 2019, using an experienced professional in-house sales team. A full market release ensued during the year ended March 31, 2020. Management anticipates the Company will attain profitable status and improve its liquidity through continued business development and after additional equity or debt capitalization of the Company. The Company has developed and continues to pursue sources of funding that management believes if successful would be sufficient to support the Company’s operating plan and alleviate any substantial doubt as to its ability to meet its obligations at least for a period of one year from the date of these consolidated financial statements. The Company raised \$3,094,820 in promissory notes and short term loans during the year ended March 31, 2020. Starting in December 2019, the Company has issued 8,045 Series A preferred shares, issuing 6,100 of these for cash proceeds of \$6,100,000 and 1,945 of these were issued on conversion of \$1,945,000 of promissory notes and accrued interest. The Company has also raised government funding provided for economic support during COVID-19, including \$1,570,900 raised during the three months ended June 30, 2020 (see Note 6 – Federally Guaranteed Loans).

The Company's operating plan is predicated on a variety of assumptions including, but not limited to, the level of product demand, cost estimates, its ability to continue to raise additional financing and the state of the general economic environment in which the Company operates. There can be no assurance that these assumptions will prove to be accurate in all material respects, or that the Company will be able to successfully execute its operating plan. In the absence of additional appropriate financing, the Company may have to modify its operating plan or slow down the pace of development and commercialization of its proposed products.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Areas involving significant estimates and assumptions include: deferred income tax assets and related valuation allowance, accruals and valuation of derivatives, convertible promissory notes, stock options, and assumptions used in the going concern assessment. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Earnings (Loss) Per Share

The Company has adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 260-10 which provides for calculation of "basic" and "diluted" earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income or loss available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. Diluted earnings per share exclude all potentially dilutive shares if their effect is anti-dilutive. There were no potentially dilutive shares outstanding as at June 30, 2020 and 2018.

Fair Value of Financial Instruments

ASC 820 defines fair value, establishes a framework for measuring fair value and expands required disclosure about fair value measurements of assets and liabilities. ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation based on quoted market prices for similar assets and liabilities in active markets.
- Level 3 – Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments or interest rates that are comparable to market rates. These financial instruments include cash, accounts receivable, deposits and other receivables, convertible promissory notes, and accounts payable and accrued liabilities. The Company's cash and derivative liabilities, which are carried at fair values, are classified as a Level 1 and Level 2, respectively. The Company's bank accounts are maintained with financial institutions of reputable credit, therefore, bear minimal credit risk.

Leases

On April 1, 2019, the Company adopted Accounting Standards Codification Topic 842, “Leases” (“ASC 842”) to replace existing lease accounting guidance. This pronouncement is intended to provide enhanced transparency and comparability by requiring lessees to record right-of-use assets and corresponding lease liabilities on the balance sheet for most leases. Expenses associated with leases will continue to be recognized in a manner similar to previous accounting guidance. The Company adopted ASC 842 utilizing the transition practical expedient added by the Financial Accounting Standards Board (“FASB”), which eliminates the requirement that entities apply the new lease standard to the comparative periods presented in the year of adoption.

The Company is the lessee in a lease contract when the Company obtains the right to use the asset. Operating leases are included in the line items right-of-use asset, lease obligation, current, and lease obligation, long-term in the consolidated balance sheet.

Right-of-use (“ROU”) asset represents the Company’s right to use an underlying asset for the lease term and lease obligations represent the Company’s obligations to make lease payments arising from the lease, both of which are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. Leases with a lease term of 12 months or less at inception are not recorded on the consolidated balance sheet and are expensed on a straight-line basis over the lease term in our consolidated statement of income. The Company determines the lease term by agreement with lessor. As our lease do not provide an implicit interest rate, the Company uses the Company’s incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. Refer to Note 10 for further discussion.

Government loan

For loans received from federal government that contains certain operating conditions and with terms over twelve month time, the Company records those loans as long term liabilities.

Convertible Notes Payable and Derivative Instruments

The Company has adopted the provisions of ASU 2017-11 to account for the down round features of warrants issued with private placements effective as of April 1, 2017. In doing so, warrants with a down round feature previously treated as derivative liabilities in the consolidated balance sheet and measured at fair value are henceforth treated as equity, with no adjustment for changes in fair value at each reporting period. Previously, the Company accounted for conversion options embedded in convertible notes in accordance with ASC 815. ASC 815 generally requires companies to bifurcate conversion options embedded in convertible notes from their host instruments and to account for them as free-standing derivative financial instruments. ASC 815 provides for an exception to this rule when convertible notes, as host instruments, are deemed to be conventional, as defined by ASC 815-40. The Company accounts for convertible notes deemed conventional and conversion options embedded in non-conventional convertible notes which qualify as equity under ASC 815, in accordance with the provisions of ASC 470-20, which provides guidance on accounting for convertible securities with beneficial conversion features. Accordingly, the Company records, as a discount to convertible notes, the intrinsic value of such conversion options based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments - Credit Losses (Topic 326) - Measurement of Credit Losses on Financial Instruments.” This pronouncement, along with subsequent ASUs issued to clarify provisions of ASU 2016-13, changes the impairment model for most financial assets and will require the use of an “expected loss” model for instruments measured at amortized cost. Under this model, entities will be required to estimate the lifetime expected credit loss on such instruments and record an allowance to offset the amortized cost basis of the financial asset, resulting in a net presentation of the amount expected to be collected on the financial asset. In developing the estimate for lifetime expected credit loss, entities must incorporate historical experience, current conditions, and reasonable and supportable forecasts. This pronouncement is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2019. The Company adopted the new guidance effectively on April 1, 2020. The Company identified and updated existing internal controls and procedures to ensure compliance with the new guidance, but such modifications were not deemed to be material to the Company’s overall system of internal control. While the adoption of this ASU did not have a material impact on the Company’s consolidated financial statements, it required changes to the Company’s process of estimating expected credit losses on trade receivables.

In July 2019, the FASB issued ASU 2019-07, Codification Updates to SEC Sections. This ASU amends various SEC paragraphs pursuant to the issuance of SEC Final Rule Releases No. 33-10532, Disclosure Update and Simplification, and Nos. 33-10231 and 33-10442, Investment Company Reporting Modernization. One of the changes in the ASU requires a presentation of changes in stockholders' equity in the form of a reconciliation, either as a separate financial statement or in the notes to the financial statements, for the current and comparative year-to-date interim periods. The Company presented changes in stockholders' equity as separate financial statements for the current and comparative year-to-date interim periods beginning on April 1, 2019. The additional elements of the ASU did not have a material impact on the Company's consolidated financial statements.

In November 2019, the FASB issued ASU 2019-11, Codification Improvements to Topic 326, Financial Instruments-Credit Losses. On June 16, 2016, the FASB issued Accounting Standards Update No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which introduced an expected credit loss model for the impairment of financial assets measured at amortized cost basis. That model replaces the probable, incurred loss model for those assets. Through the amendments in that Update, the Board added Topic 326, Financial Instruments—Credit Losses, and made several consequential amendments to the Codification. The amendments apply to all reporting entities within the scope of the affected accounting guidance. ASU 2019-11 is effective for fiscal years beginning after December 15, 2022. The Company is currently evaluating the impact that this guidance will have on its consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU No. 2019-12, Simplifying the Accounting for Income Taxes (“ASU 2019-12”), which simplifies the accounting for income taxes, eliminates certain exceptions within ASC 740, Income Taxes, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. ASU 2019-12 is effective for fiscal years beginning after December 15, 2021. Most amendments within the standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company is currently evaluating the impacts of the provisions of ASU 2019-12 on its financial condition, results of operations, and cash flows.

In March 2020, the FASB issued ASU No. 2030-20 Codification Improvements to Financial Instruments, An Amendment of the FASB Accounting Standards Codification: a) in ASU No. 2016-01, b) in Subtopic 820-10, c) for depository and lending institutions clarification in disclosure requirements, d) in Subtopic 470-50, e) in Subtopic 820-10, f) Interaction of Topic 842 and Topic 326, g) Interaction of the guidance in Topic 326 and Subtopic 860-20. The amendments in this Update represent changes to clarify or improve the Codification. The amendments make the Codification easier to understand and easier to apply by eliminating inconsistencies and providing clarifications. For public business entities updates under the following paragraphs: a), b), d) and e) are effective upon issuance of this final update. The effective date for c) is for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The Company does not expect that the new guidance will significantly impact its consolidated financial statements.

The Company continues to evaluate the impact of the new accounting pronouncement, including enhanced disclosure requirements, on our business processes, controls and systems.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	As at June 30, 2020 \$	As at March 31, 2020 \$
Accounts payable	1,012,630	1,094,072
Accrued liabilities	715,842	427,617
	<u>1,728,472</u>	<u>1,521,689</u>

Accounts payable as at June 30, 2020, and March 31, 2020 include 345,929 and 379,881, respectively, due to a shareholder and executive of the Company, primarily as a result of that individual's role as an employee. These amounts are unsecured, non-interest bearing and payable on demand.

5. CONVERTIBLE PROMISSORY NOTES AND SHORT TERM LOANS

As at June 30, 2020, the Company had promissory notes outstanding of \$719,388 (March 31, 2020 – \$916,301). The promissory notes generally have a term of 1-year term, at interest rates of between 10%, and 12% with allowance for the Company to repay early, and the possibility to convert into equity on the basis of mutual consent. During the three months ended June 30, 2020, the Company made repayment in amount of 96,914. During the three months ended June 30, 2020, \$100,000 from the outstanding notes was converted to preferred stock. (Note 7, Note 8)

As at June 30, 2020, the Company had short term loan outstanding of \$1,152,001 (March 31, 2020 – \$1,152,001).

Management has evaluated the terms of these notes in accordance with the guidance provided by ASC 470 and ASC 815 and concluded that there is no derivative or beneficial conversion feature attached to these notes.

General and administrative expenses include interest expense on the above notes of \$37,456 and \$30,052 for the three months ended June 30, 2020 and 2019, respectively.

6. FEDERALLY GUARANTEED LOANS

Economic Injury Disaster Loan (“EIDL”)

In April 2020, the Company received \$370,900 from the U.S. Small Business Administration (SBA) under the captioned program. The loan has a term of 30 years and an interest rate of 3.75%, without the requirement for payment in its first 12 months. The Company may prepay the loan without penalty at will.

Payment Protection Program (“PPP”) Loan

In May 2020, Biotricity received loan proceeds of \$1.2 million (the “PPP Loan”) under the Paycheck Protection Program established by the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”) administered by the U.S. Small Business Administration (“SBA”). The unsecured PPL Loan is evidenced by a promissory note (the “Note”), between the Company and the lending financial institution (the “Lender”). The Note has a two-year term, bears interest at the rate of 1.0% per annum, and may be prepaid at any time without payment of any premium. No payments of principal or interest are due during the six-month period beginning on the date of the Note (the “Deferral Period”). The principal and accrued interest under the Note is forgivable under certain specified circumstances if the Company uses the PPP Loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and otherwise complies with PPP requirements. In order to obtain forgiveness of the PPP Loan, the Company must submit a request and provide satisfactory documentation regarding its compliance with applicable requirements. The Company must repay any unforgiven principal amount of the Note, with interest, on a monthly basis following the Deferral Period. The Company intends to use the PPP Loan for qualifying expenses, though no assurance is provided that the Company will obtain forgiveness of the PPP Loan in whole or in part.

7. DERIVATIVE LIABILITIES

On December 19, 2019 and January 9, 2020, the Company issued 7,830 Series A preferred shares; 6,000 of these were issued for cash proceeds of \$6,000,000 and 1,830 of these were issued on conversion of \$1,830,000 of promissory notes that had previously been issued for cash proceeds in October 2019.

On May 22, 2020, another 215 Series A preferred shares were issued as a result of a combined transaction that included the conversion of \$100,000 in promissory notes (Note 5) and \$15,000 in accrued interest for 115 preferred shares, as well as a purchase of 100 preferred shares for cash proceeds of \$100,000.

The Company analyzed the compound features of variable conversion and redemption embedded in this instrument, for potential derivative accounting treatment on the basis of ASC 820 (Fair Value in Financial Instruments), ASC 815 (Accounting for Derivative Instruments and Hedging Activities), Emerging Issues Task Force (“EITF”) Issue No. 00–19 and EITF 07–05, and determined that the embedded derivatives should be bundled and valued as a single, compound embedded derivative, bifurcated from the underlying equity instrument, treated as a derivative liability, and measured at fair value.

	<u>Total</u>
	<u>\$</u>
Derivative liabilities as at March 31, 2019	-
Derivative fair value at issuance	1,083,952
Change in fair value of derivatives	60,781
Derivative liabilities as at March 31, 2020	<u>\$ 1,144,733</u>
Derivative fair value at issuance	41,749
Change in fair value of derivatives	(204,142)
Derivative liabilities as at June 30, 2020	<u>\$ 982,340</u>

The lattice methodology was used to value the derivative components, using the following assumptions:

	<u>Assumptions</u>
Dividend yield	12%
Risk-free rate for term	0.62% – 1.14%
Volatility	117.4% – 198.3%
Remaining terms (Years)	0.01 – 1.0
Stock price (\$ per share)	\$0.650 – \$1.367

8. STOCKHOLDERS’ DEFICIENCY

a) Authorized stock

As at June 30, 2020, the Company is authorized to issue 125,000,000 (March 31, 2020 – 125,000,000) shares of common stock (\$0.001 par value) and 10,000,000 (March 31, 2020 – 10,000,000) shares of preferred stock (\$0.001 par value).

At June 30, 2020, there were 33,384,769 (March 31, 2020 – 32,593,769) shares of common stock issued and outstanding. Additionally, at June 30, 2020, there were 3,788,062 (March 31, 2020 – 3,788,062) outstanding exchangeable shares. There is currently one share of the Special Voting Preferred Stock issued and outstanding held by one holder of record, which is the Trustee in accordance with the terms of the Trust Agreement.

b) Exchange Agreement

As initially described in Note 1 above, on February 2, 2016:

- The Company issued approximately 1.197 shares of its common stock in exchange for each common share of iMedical held by the iMedical shareholders who in general terms, are not residents of Canada (for the purposes of the Income Tax Act (Canada)). Accordingly, the Company issued 13,376,947 shares;
- Shareholders of iMedical who in general terms, are Canadian residents (for the purposes of the Income Tax Act (Canada)) received approximately 1.197 Exchangeable Shares in the capital of Exchangeco in exchange for each common share of iMedical held. Accordingly, the Company issued 9,123,031 Exchangeable Shares;
- Each outstanding option to purchase common shares in iMedical (whether vested or unvested) was exchanged, without any further action or consideration on the part of the holder of such option, for approximately 1.197 economically equivalent replacement options with an inverse adjustment to the exercise price of the replacement option to reflect the exchange ratio of approximately 1.197:1;
- Each outstanding warrant to purchase common shares in iMedical was adjusted, in accordance with the terms thereof, such that it entitles the holder to receive approximately 1.197 shares of the common stock of the Company for each warrant, with an inverse adjustment to the exercise price of the warrants to reflect the exchange ratio of approximately 1.197:1

- Each outstanding advisor warrant to purchase common shares in iMedical was adjusted, in accordance with the terms thereof, such that it entitles the holder to receive approximately 1.197 shares of the common stock of the Company for each advisor warrant, with an inverse adjustment to the exercise price of the Advisor Warrants to reflect the exchange ratio of approximately 1.197:1; and
- The outstanding 11% secured convertible promissory notes of iMedical were adjusted, in accordance with the adjustment provisions thereof, as and from closing, so as to permit the holders to convert (and in some circumstances permit the Company to force the conversion of) the convertible promissory notes into shares of the common stock of the Company at a 25% discount to purchase price per share in Biotricity's next offering.

Issuance of common stock, exchangeable shares and cancellation of shares in connection with the reverse takeover transaction as explained above represents recapitalization of capital retroactively adjusting the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree.

c) Share issuances

Share issuances during the year ended March 31, 2020

On December 19, 2019, the Company issued 6,000 shares of Series A preferred stock in a private placement for gross proceeds of \$6,000,000 (Note 7). The shares are convertible into common stock of the Company at a conversion price equal to the greater of \$0.001 or a 15% discount to the 5-day volume weighted price at the time of conversion. The conversion rights commence 24 months after issuance, but conversion is limited to 5% of the aggregate purchase price of the holder on a monthly basis thereafter. Alternatively, the shares are convertible into common stock at a 15% discount to any qualified future common stock financing conducted by the Company. The Company may redeem the shares after 1 year for 110% of the purchase price plus accrued dividends. The preferred stock bears a dividend rate of 12% per annum. On January 9, 2020, the Company issued a further 1,830 of Series A preferred stock with same terms on conversion of \$1,830,000 of promissory notes that had previously been issued for cash proceeds in 2019 (see Note 5). During the year ended March 31, 2020, the Company accrued dividends in amount of \$257,927 and made a payment in amount of \$180,000.

In May and July 2019, the Company issued 47,585 shares of common stock under a registered offering outstanding in the previous fiscal year, which raised proceeds of \$28,565.

During the year ended March 31, 2019, the Company issued a total of 972,950 shares of common stock and recognized its obligations to issue a total of 178,750 shares of common stock to various consultants and advisors, with a cumulative fair value of \$666,129 and \$169,490, respectively, or \$835,619 in total; these costs were recognized as general and administrative and research and development expenses, as applicable, in the statement of operations, with corresponding credit to common stock, shares to be issued, and additional paid-in-capital, respectively.

During the year ended March 31, 2020, the Company also issued an aggregate of 525,023 shares of its common stock to investors as part of the one-for-one exchange of previously issued exchangeable shares into the Company's Common Stock, which is a non-cash transaction. No options or warrants were exercised during this period.

Share issuances during the three months ended June 30, 2020

During the three months ended June 30, 2020, the Company issued an aggregate of 160,000 shares pursuant to obligations existing as at March 31, 2020. The Company also issued a further 631,000 shares of its common stock pursuant to obligations to issue these, the fair value of which were recognized during the three months ended June 30, 2020. Total fair value of the total 791,000 common shares, in amount of \$1,063,754, was determined by using the market date price on the date of issuance. The Company recorded the fair value of the common shares issued in general and administrative expenses and research and development expenses with corresponding credit to common stock and additional paid in capital.

d) Shares to be issued

As of June 30, 2020, the Company recognized its contractual obligations to issue a total of 25,000 shares of common stock to an advisor. The fair value of these shares amounted to \$22,194 and has been expensed to general and administrative and research and development expenses in the consolidated statements of operations, with a corresponding credit to additional paid-in-capital. The fair value of these shares was determined by using the market price of the common stock as at the date of issuance.

As of March 31, 2020, the Company had recognized its contractual obligations to issue a total of 178,750 shares of common stock to consultants, advisors and other service providers, (as explained in paragraph c, above). The fair value of these shares amounted to \$169,490 and has been expensed to general and administrative and research and development expenses in the consolidated statements of operations, with a corresponding credit to additional paid-in-capital. The fair value of these shares was determined by using the market price of the common stock as at the date of issuance.

e) Warrant issuances and exercises

Warrant issuances during the year ended March 31, 2020

During the year ended March 31, 2020, the Company issued 1,021,430 warrants, respectively, as compensation for advisor and consultant services and certain promissory noteholders, which were fair valued at \$277,053. Warrants issued to advisors and consultants were expensed in general and administrative expenses and amounted to \$184,637, for the year ended March 31, 2020. Warrants issued to promissory notes holders were credited to additional paid-in capital in amount of \$92,416. Their fair value has been estimated using a multi-nomial lattice model with an expected life of 2 to 3 years, risk free rates of 0.22% to 1.71%, stock price of \$0.52 to \$0.974 and expected volatility of 114.3% to 132.2%.

Warrant issuances during the three months ended June 30, 2020

During the three months ended June 30, 2020, the Company issued 50,000 warrants as compensation for advisor and consultant services, which were fair valued at \$45,113 and expensed in general and administrative expenses, with a corresponding credit to additional paid in capital. Their fair value has been estimated using a multi-nomial lattice model with an expected life of 3 years, a risk free rate ranging from 0.259% to 0.692%, stock price in range of \$0.970 to \$1.367 and expected volatility of 125.4% to 131.90%

Warrant exercises

No warrants were exercised during the fiscal year ended March 31, 2020 and the three months ended June 30, 2020.

Warrant issuances, exercises and expirations or cancellations during the three months ended June 30, 2020 and preceding periods resulted in warrants outstanding at the end of those respective periods as follows:

	Broker Warrants	Consultant Warrants	Warrants Issued on Conversion of Convertible Notes	Private Placement Warrants	Total
As at March 31, 2018	384,152	669,972*	2,734,530	1,163,722	4,952,376
Less: Exercised	(62,838)	-	-	-	(62,838)
Less: Expired/cancelled	-	(31,250)	-	-	(31,250)
Add: Issued	-	65,000	-	-	65,000
As at June 30, 2018	321,314	703,722*	2,734,530	1,163,722	4,923,288
Less: Exercised	-	-	-	-	-
Less: Expired/cancelled	-	-	-	-	-
Add: Issued	-	393,333	-	-	393,333
As at September 30 2018	321,314	1,097,055*	2,734,530	1,163,722	5,316,621
Less: Exercised	-	-	-	-	-
Less: Expired/cancelled	-	(126,250)**	-	-	(126,250)
Add: Issued	-	50,000	-	-	50,000
As at December 31, 2018	321,314	1,020,805*	2,734,530	1,163,722	5,240,371
Less: Exercised	-	-	-	-	-
Less: Expired/cancelled	-	(184,916)**	-	-	(184,916)
Add: Issued	-	341,268	-	-	341,268
As at March 31, 2019	321,314	1,177,157*	2,734,530	1,163,722	5,396,723
Less: Exercised	-	-	-	-	-
Less: Expired/cancelled	-	(5,000)	-	-	(5,000)
Add: Issued	-	83,750	-	-	83,750
As at June 30, 2019	321,314	1,255,907*	2,734,530	1,163,722	5,475,473
Less: Exercised	-	-	-	-	-
Less: Expired/cancelled	-	(10,000)	-	-	(10,000)
Add: Issued	-	311,350	-	-	311,350
As at September 30, 2019	321,314	1,557,257*	2,734,530	1,163,722	5,776,823
Less: Exercised	-	-	-	-	-
Less: Expired/cancelled	-	-	-	-	-
Add: Issued	-	(35,000)	-	-	(35,000)
Add: Issued	-	568,000	-	-	568,000
As at December 31, 2019	321,314	2,090,257*	2,734,530	1,163,722	6,309,823
Less: Exercised	-	-	-	-	-
Less: Expired/cancelled	-	(98,750)	-	-	(98,750)
Add: Issued	-	58,330	-	-	58,330
As at March 31, 2020	321,314	2,049,837*	2,734,530	1,163,722	6,269,403
Less: Expired/cancelled	-	(65,000)	(911,510)	-	(986,510)
Add: Issued	-	50,000	-	-	50,000
As at June 30, 2020	321,314	2,034,837*	1,823,020	1,163,722	5,332,893
Exercise Price	\$ 0.78-\$3.00	\$ 0.48-\$7.59	2.00	3.00	
Expiration Date	March 2022 to July 2022	April 2020 to June 2023	March 2020 to November 2022	April 2020 to July 2020	

*Consultant Warrants include warrants issued to directors and officers of the Company who were not members of the Company's options plan at the time of issuance. As at June 30, 2020, Consultant Warrants include an aggregate of 638,806 warrants provided to an officer of the Company as compensation while he was not a member of any Company options plan.

f) Stock-based compensation

2015 Equity Incentive Plan

On March 30, 2015, iMedical approved Directors, Officers and Employees Stock Option Plan, under which it authorized and issued 3,000,000 options. This plan was established to enable the Company to attract and retain the services of highly qualified and experience directors, officers, employees and consultants and to give such person an interest in the success of the Company. As of March 31, 2018, and March 31, 2017, there were no outstanding vested options and 137,500 unvested options at an exercise price of \$.0001 under this plan. These options now represent the right to purchase shares of the Company's common stock using the same exchange ratio of approximately 1.1969:1, thus there were 164,590 (35,907 had been cancelled) adjusted unvested options as at March 31, 2018. These remaining 164,590 options were exercised during the year ended March 31, 2019. No other grants will be made under this plan.

The following table summarizes the stock option activities of the Company:

	Number of options	Weighted average exercise price (\$)
Granted	3,591,000	0.0001
Exercised	(3,390,503)	0.0001
Outstanding as of December 31, 2015	200,497	0.0001
Cancelled during 2016	(35,907)	0.0001
Outstanding as of March 31, 2018	164,590	0.0001
Exercised	(164,590)	0.0001
Outstanding as of June 30, 2020 and March 31, 2019	-	

The fair value of options at the issuance date were determined at \$2,257,953 which were fully expensed during the twelve months ended December 31, 2015 based on vesting period and were included in general and administrative expenses with corresponding credit to additional paid-in-capital. During the twelve months ended December 31, 2015, 3,390,503 (2,832,500 Pre-exchange Agreement) options were exercised by those employees who met the vesting conditions; 50% of the grants either vest immediately or at the time of U.S. Food and Drug Administration (FDA) filing date and 50% will vest upon Liquidity Trigger. Liquidity Trigger means the day on which the board of directors resolve in favor of i) the Company is able to raise a certain level of financing; ii) a reverse takeover transaction that results in the Company being a reporting issuer, and iii) initial public offering that results in the Company being a reporting issuer.

2016 Equity Incentive Plan

On February 2, 2016, the Board of Directors of the Company approved 2016 Equity Incentive Plan (the "Plan"). The purpose of the Plan is to advance the interests of the Company and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Company and by motivating such persons to contribute to the growth and profitability of the Company. The Plan seeks to achieve this purpose by providing for awards in the form of options, stock appreciation rights, restricted stock purchase rights, restricted stock bonuses, restricted stock units, performance shares, performance units and other stock-based awards.

The Plan shall continue in effect until its termination by the board of directors or committee formed by the board; provided, however, that all awards shall be granted, if at all, on or before the day immediately preceding the tenth (10th) anniversary of the effective date. The maximum number of shares of stock that may be issued under the Plan shall be equal to 3,750,000 shares; provided that the maximum number of shares of stock that may be issued under the Plan pursuant to awards shall automatically and without any further Company or shareholder approval, increase on January 1 of each year for not more than 10 years from the effective date, so the number of shares that may be issued is an amount no greater than 15% of the Company's outstanding shares of stock and shares of stock underlying any outstanding exchangeable shares as of such January 1; provided further that no such increase shall be effective if it would violate any applicable law or stock exchange rule or regulation, or result in adverse tax consequences to the Company or any participant that would not otherwise result but for the increase.

During July 2016, the Company granted an officer options to purchase an aggregate of 2,499,998 shares of common stock at an exercise price of \$2.20 subject to a 3 year vesting period, with the fair value of the options being expensed over a 3 year period. Two additional employees were also granted 175,000 options to purchase shares of common stock at an exercise price of \$2.24 with a 1 year vesting period, with the fair value of the options being expensed over a 1 year period. One additional employee was also granted 35,000 options to purchase shares of common stock at an exercise price of \$2.24 with a 2 year vesting period, with the fair value of the options expensed over a 2 year period.

During the year ended March 31, 2018, an additional 1,437,500 stock options were granted with a weighted average remaining contractual life from 2.76 to 9.51 years.

During the year ended March 31, 2019, an additional 270,521 stock options were granted with a weighted average remaining contractual life from 2.76 to 9.51 years. During the year ended March 31, 2019, the Company recorded stock based compensation of \$1,451,261 in connection with ESOP 2016 Plan under general and administrative expenses with corresponding credit to additional paid in capital.

Based on the 2016 Option Plan, the Company is authorized to issue employee options with a 10-year term. On March 31, 2020, the Company's Board of Directors approved the amendment of certain prior options grants, issued to current employees, previously issued with a 3-year term, such that the respective options issued under these agreements would have their term extended to 10 years. The Company revalued these options use a lattice model with an expected life of 10 years, risk free rates of 0.46% to 0.75%, stock price of \$0.974 and expected volatility of 132.2%, in order to recognize the additional expense associated with the longer term and recognized a one-time charge of \$1,600,515 in share-based compensation, with a corresponding adjustment to adjusted paid in capital.

During the year ended March 31, 2020, an additional 88,100 stock options were granted with a weighted average remaining contractual life from 2.76 to 9.51 years. The Company recorded stock-based compensation of \$2,408,713 in connection with ESOP 2016 Plan under general and administrative expenses with corresponding credit to additional paid in capital.

During the three months ended June 30, 2020, the Company granted 1,811,847 options, including 1,400,000 options to an executive and director of the Company and an additional 367,647 options to another director. Their fair value, has been estimated using a multi-nomial lattice model with an expected life of up to 6 years, a risk free rate ranging from 0.259% to 0.692%, stock price in range of \$0.970 to \$1.367 and expected volatility of 125.4% to 131.90%.

The following table summarizes the stock option activities of the Company:

	Number of options	Weighted average exercise price (\$)
Granted	4,147,498	3.2306
Exercised	-	-
Outstanding as of June 30 and March 31, 2018	4,147,498	3.2306
Granted	270,521	1.8096
Exercised	-	-
Outstanding as of June 30, 2019 and March 31, 2019	4,418,019	3.1436
Granted	88,100	0.7763
Expired	(112,509)	2.723
Outstanding as of March 31, 2020	4,393,610	3.1069
Granted	1,811,847	1.0513
Exercised	-	-
Outstanding as of June 30 and March 31, 2018	6,205,457	2.5070

During the three months ended June 30, 2020, the Company recorded stock-based compensation of \$232,519, in connection with the 2016 equity incentive plan (June 30, 2019 – \$338,889) under general and administrative expenses with a corresponding credit to additional paid in capital.

The fair value of each option granted is estimated at the time of grant using multi-nomial lattice model using the following assumptions:

	2019	2017-2018	2016-2017	2015-2016
Exercise price (\$)	2.00	1.24-7.59	2.00 – 2.58	0.0001
Risk free interest rate (%)	2.27 to 2.54	1.98-2.81	0.45 - 1.47	0.04 - 1.07
Expected term (Years)	3	3	1 - 3	10
Expected volatility (%)	112.5 -141.10	97.8-145.99	101 – 105	94
Expected dividend yield (%)	0	0	0	0
Fair value of option (\$)	0.28	0.6	0.88	0.74
Expected forfeiture (attrition) rate (%)	0.00	0.00	0.00 – 5.00	5.00 - 20.00

9. RELATED PARTY TRANSACTIONS AND BALANCES

The Company's transactions with related parties were carried out on normal commercial terms and in the course of the Company's business. Other than those disclosed elsewhere in the financial statements, related party transactions are as follows:

	Three Months Ended June 30, 2020 \$	Three Months Ended June 30, 2019 \$
Salary and allowance*	150,500	135,052
Stock based compensation**	236,044	308,755
Total	386,544	443,807

The above expenses were recorded under general and administrative expenses.

* Salary and allowance include salary, car allowance, vacation pay, bonus and other allowances paid or payable to key management of the Company.

** Stock based compensation represent the fair value of the options, warrants and equity incentive plan for directors and key management of the Company.

10. LEASE

The Company has one operating lease primarily for office and administration.

The Company adopted ASC 842 – Leases using the modified retrospective cumulative catch-up approach beginning on April 1, 2019. Under this approach, the Company did not restate its comparative amounts and recognized a right-of-use asset equal to the present value of the future lease payments. The Company elected to apply the practical expedient to only transition contracts which were previously identified as leases and elected to not recognize right-of-use assets and lease obligations for leases of low value assets.

When measuring the lease obligations, the Company discounted lease payments using its incremental borrowing rate at April 1, 2019. The weighted-average-rate applied is 10%.

	\$
Operating lease right-of-use asset - initial recognition	413,236
Amortization	(198,352)
Balance at June 30, 2020	<u>214,884</u>
Operating lease obligation - initial recognition	413,236
Repayment and interest accretion	(192,093)
Balance at June 30, 2020	<u>221,143</u>

Current portion of operating lease obligation	221,143
Noncurrent portion of operating lease obligation	-

The operating lease expense was \$55,299 for the three months ended June 30, 2020 and \$173,175 for the year ended March 31, 2020 and included in the General and administrative expenses.

The following table represents the contractual undiscounted cash flows for lease obligations as at June 30, 2020.

	\$
Less than one year	230,118
Beyond one year	-
Total undiscounted lease obligations	<u>230,118</u>

11. CONTINGENCIES

There are no claims against the company that were assessed as significant, which were outstanding as at June 30, 2020 and, consequently, no provision for such has been recognized in the consolidated financial statements.

12. SUBSEQUENT EVENTS

The Company's management has evaluated subsequent events up to August 14, 2019, the date the condensed consolidated financial statements were issued, pursuant to the requirements of ASC 855 and has determined the following material subsequent events:

From July 24, 2020 to July 31, 2020, the Company entered into subscription agreements with accredited investors for the sale to the investors of convertible promissory notes (the "Notes") in the aggregate principal amount of \$1,253,000. The Notes will bear interest at the rate of 12% per year and will mature one year from the final closing date of the offering. The Notes will be convertible into shares of common stock, at the option of the holder, commencing six months from issuance, at a conversion price equal to 75% of the volume weighted average price of the common stock for the five trading days prior to the conversion date. The Notes will automatically convert into common stock (in each case, subject to the trading volume of the Company's common stock being a minimum of \$500,000 for each trading day in the 20 consecutive trading days immediately preceding the conversion date), upon the earlier to occur of (i) the Company's common stock being listed on a national securities exchange, in which event the conversion price will be equal to 75% of the volume weighted average price of the common stock for the 20 trading days prior to the conversion date, or (ii) upon the closing of the Company's next equity round of financing for gross proceeds of greater than \$5,000,000, in which event the conversion price will be equal to 75% of the price per share of the common stock (or of the conversion price in the event of the sale of securities convertible into common stock) sold in such financing. The Company may prepay the Notes upon 20 days' written notice and payment of a 15% prepayment fee. Upon conversion of the Notes, the Company will also issue to the investors warrants (the "Warrants") to purchase 50% of the number of shares of common stock issued upon conversion of the Notes. The Warrants will have a term of three years and an exercise price equal to 120% of the volume weighted average price of the common stock for the 20 days prior to the final closing date of the offering, subject to adjustment.

In July 2020, an exchangeable shareholder holding 179,540 exchangeable shares exchanged these for an equivalent number of common shares of the Company. Also in July 2020, the Company issued 83,500 common shares as compensation for services to be provided by a contractor.

On August 6, 2020, the Company announced that it received a 510(k) clearance from the FDA for its Bioflux Software II System, engineered to improve workflows and reduce estimated analysis time from 5 minutes to 30 seconds. Because ECG monitoring requires significant human oversight to review and interpret incoming patient data to discern actionable events for clinical intervention, highlighting the necessity of driving operational efficiency, this improvement in analysis time reduces operational costs and allows the company to improve customer service and provide improved response times to physicians and their at-risk patients.

On August 11, 2020, the Company entered into an agreement of understanding that establishes terms under which Biotricity will enter into a licensing agreement, with an exclusive right to acquire MD Matrix Inc. and its telemedicine platform, which includes capabilities for real-time streaming of medical devices. The terms of the agreement of understanding expire ninety days after its execution.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Cautionary Note Regarding Forward-Looking Statements

Except for historical information contained herein, this “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contains forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors which 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 such forward-looking statements. These forward-looking statements are based on various factors and were derived utilizing numerous important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements. Important assumptions and other factors that could cause actual results to differ materially from those in the forward-looking statements, include but are not limited to: (a) any fluctuations in sales and operating results; (b) risks associated with international operations; (c) regulatory, competitive and contractual risks; (d) development risks; (e) the ability to achieve strategic initiatives, including but not limited to the ability to achieve sales growth across the business segments through a combination of enhanced sales force, new products, and customer service; (f) competition in the Company’s existing and potential future product lines of business; (g) the Company’s ability to obtain financing on acceptable terms if and when needed; (h) uncertainty as to the Company’s future profitability; (i) uncertainty as to the future profitability of acquired businesses or product lines; and (j) uncertainty as to any future expansion of the Company. Other factors and assumptions not identified above were also involved in the derivation of these forward-looking statements and the failure of such assumptions to be realized as well as other factors may also cause actual results to differ materially from those projected. The Company assumes no obligation to update these forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements, except as may be required under applicable law. Past results are no guaranty of future performance. Any such forward-looking statements speak only as of the dates they are made. When used in this Report, the words “believes,” “anticipates,” “expects,” “estimates,” “plans,” “intends,” “will” and similar expressions are intended to identify forward-looking statements.

This Management’s Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the financial statements and footnotes thereto included in this Quarterly Report on Form 10-Q (the “Financial Statements”).

Company Overview

Biotricity Inc. (“Company”, “Biotricity”, “we”, “us” or “our”)

Biotricity Inc. (the “Company”, “Biotricity”, “we”, “us”, “our”) is a medical technology company focused on biometric data monitoring solutions. Our aim is to deliver innovative, remote monitoring solutions to the medical, healthcare, and consumer markets, with a focus on diagnostic and post-diagnostic solutions for lifestyle and chronic illnesses. We approach the diagnostic side of remote patient monitoring by applying innovation within existing business models where reimbursement is established. We believe this approach reduces the risk associated with traditional medical device development and accelerates the path to revenue. In post-diagnostic markets, we intend to apply medical grade biometrics to enable consumers to self-manage, thereby driving patient compliance and reducing healthcare costs. We intend to first focus on a segment of the diagnostic mobile cardiac telemetry market, otherwise known as MCT, while providing our chosen markets with the capability to also perform other cardiac studies.

We developed our FDA-approved Bioflux® MCT technology, comprised of a monitoring device and software components, which we made available to the market under limited release on April 6, 2018, in order to assess, establish and develop sales processes and market dynamics. The fiscal year ended March 30, 2020 marked the Company's first year of expanded commercialization efforts, focused on sales growth and expansion. We have expanded our sales efforts to 13 states, with intention to expand further and compete in the broader US market using an insourcing business model. Our technology has a large potential total addressable market, which can include hospitals, clinics and physicians' offices, as well as other IDTFs. We believe our solution's insourcing model, which empowers physicians with state-of-the-art technology and charges technology service fees for its use, has the benefit of a reduced operating overhead for the Company, and enables a more efficient market penetration and distribution strategy. This, when combined with the value the Company's solution in the diagnosis of cardiac arrhythmias, enhancement of patient outcomes, improved patient compliance, and the corresponding reduction of healthcare costs, is driving growth and increasing revenues.

We are a technology company focused on earning utilization-based recurring technology fee revenue. The Company's ability to grow this type of revenue is predicated on the size and quality of its sales force and their ability to penetrate the market and place devices with clinically focused, repeat users of its cardiac study technology. The Company plans to grow its sales force in order to address new markets and achieve sales penetration in the markets currently served. The Company has also developed or is developing several other ancillary technologies, which will require application for further FDA clearances, which the Company anticipates applying for within the next to twelve months. Among these are:

- advanced ECG analysis software that can analyze and synthesize patient ECG monitoring data with the purpose of distilling it down to the important information that requires clinical intervention, while reducing the amount of human intervention necessary in the process;
- the Biotres patch solution, which will be a novel product in the field of Holter monitoring;
- the Bioflux® 2.0, which is the next generation of our award winning Bioflux®

On August 6, 2020, the Company announced that it received a 510(k) clearance from the FDA for its Bioflux Software II System, engineered to improve workflows and reduce estimated analysis time from 5 minutes to 30 seconds. ECG monitoring requires significant human oversight to review and interpret incoming patient data to discern actionable events for clinical intervention, highlighting the necessity of driving operational efficiency. This improvement in analysis time reduces operational costs and allows the company to continue to focus on excellent customer service and industry-leading response times to physicians and their at-risk patients. Additionally, these advances mean we can focus our resources on high-level operations and sales to help drive greater revenue.

The COVID-19 pandemic has highlighted the importance of telemedicine and remote patient monitoring technologies. On August 12, 2020, the Company announced that it has negotiated the terms of an agreement to license, with the exclusive right to acquire, MD Matrix Inc. ("MDM") and its telemedicine platform, which also provides capabilities of real-time streaming of medical devices. The terms of the agreement of understanding expire ninety days after its execution, and there cannot be any assurance that the Company will enter into a definitive agreement with MDM. Telemedicine offers patients the ability to communicate directly with their health care providers without the need of leaving their home. This telemedicine solution is intended to align with the Company's Bioflux product and facilitate remote visits and remote prescriptions for cardiac diagnostics. This results in improved care to patients that may otherwise elect not to go to medical facilities, cost savings to healthcare service providers.

Critical Accounting Policies

The unaudited condensed consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) and are expressed in United States Dollars. Significant accounting policies are summarized below:

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Areas involving significant estimates and assumptions include: deferred income tax assets and related valuation allowance, accruals and valuation of derivatives, convertible promissory notes, stock options and warrants, as well as assumptions used by management in its assessment of liquidity. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Earnings (Loss) Per Share

We have adopted the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) Topic 260-10 which provides for calculation of “basic” and “diluted” earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income or loss available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. Diluted earnings per share exclude all potentially dilutive shares if their effect is anti-dilutive. There were no potentially dilutive shares outstanding as at December 31, 2019.

Fair Value of Financial Instruments

ASC 820 defines fair value, establishes a framework for measuring fair value and expands required disclosure about fair value measurements of assets and liabilities. ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation based on quoted market prices for similar assets and liabilities in active markets.
- Level 3 – Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management’s best estimate of what market participants would use as fair value.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments or interest rates that are comparable to market rates. These financial instruments include cash, accounts receivable, deposits and other receivables, convertible promissory notes and short-term loans, accounts payable and accrued liabilities, and derivative liabilities. The Company’s cash and derivative liabilities, which are carried at fair values, are classified as a Level 1 and Level 2, respectively. The Company’s bank accounts are maintained with financial institutions of reputable credit, therefore, bear minimal credit risk.

Leases

On April 1, 2019, the Company adopted Accounting Standards Codification Topic 842, “Leases” (“ASC 842”) to replace existing lease accounting guidance. This pronouncement is intended to provide enhanced transparency and comparability by requiring lessees to record right-of-use assets and corresponding lease liabilities on the balance sheet for most leases. Expenses associated with leases will continue to be recognized in a manner similar to previous accounting guidance. The Company adopted ASC 842 utilizing the transition practical expedient added by the Financial Accounting Standards Board (“FASB”), which eliminates the requirement that entities apply the new lease standard to the comparative periods presented in the year of adoption.

The Company is the lessee in a lease contract when the Company obtains the right to use the asset. Operating leases are included in the line items right-of-use asset, lease obligation, current, and lease obligation, long-term in the consolidated balance sheet. Right-of-use (“ROU”) asset represents the Company’s right to use an underlying asset for the lease term and lease obligations represent the Company’s obligations to make lease payments arising from the lease, both of which are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. Leases with a lease term of 12 months or less at inception are not recorded on the consolidated balance sheet and are expensed on a straight-line basis over the lease term in our consolidated statement of income. The Company determines the lease term by agreement with lessor. As our lease does not provide an implicit interest rate, the Company uses the Company’s incremental borrowing rate based on the information available at commencement date in determining the present value of future payments.

Government loan

For loans received from federal government that contains certain operating conditions and with terms over twelve month time, the Company records those loans as long term liabilities.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments - Credit Losses (Topic 326) - Measurement of Credit Losses on Financial Instruments.” This pronouncement, along with subsequent ASUs issued to clarify provisions of ASU 2016-13, changes the impairment model for most financial assets and will require the use of an “expected loss” model for instruments measured at amortized cost. Under this model, entities will be required to estimate the lifetime expected credit loss on such instruments and record an allowance to offset the amortized cost basis of the financial asset, resulting in a net presentation of the amount expected to be collected on the financial asset. In developing the estimate for lifetime expected credit loss, entities must incorporate historical experience, current conditions, and reasonable and supportable forecasts. This pronouncement is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2019. The Company adopted the new guidance effectively on April 1, 2020. The Company identified and updated existing internal controls and procedures to ensure compliance with the new guidance, but such modifications were not deemed to be material to the Company's overall system of internal control. While the adoption of this ASU did not have a material impact on the Company's consolidated financial statements, it required changes to the Company's process of estimating expected credit losses on trade receivables.

In July 2019, the FASB issued ASU 2019-07, Codification Updates to SEC Sections. This ASU amends various SEC paragraphs pursuant to the issuance of SEC Final Rule Releases No. 33-10532, Disclosure Update and Simplification, and Nos. 33-10231 and 33-10442, Investment Company Reporting Modernization. One of the changes in the ASU requires a presentation of changes in stockholders’ equity in the form of a reconciliation, either as a separate financial statement or in the notes to the financial statements, for the current and comparative year-to-date interim periods. The Company presented changes in stockholders' equity as separate financial statements for the current and comparative year-to-date interim periods beginning on April 1, 2019. The additional elements of the ASU did not have a material impact on the Company's consolidated financial statements.

In November 2019, the FASB issued ASU 2019-11, Codification Improvements to Topic 326, Financial Instruments-Credit Losses. On June 16, 2016, the FASB issued Accounting Standards Update No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which introduced an expected credit loss model for the impairment of financial assets measured at amortized cost basis. That model replaces the probable, incurred loss model for those assets. Through the amendments in that Update, the Board added Topic 326, Financial Instruments—Credit Losses, and made several consequential amendments to the Codification. The amendments apply to all reporting entities within the scope of the affected accounting guidance. ASU 2019-11 is effective for fiscal years beginning after December 15, 2022. The Company is currently evaluating the impact that this guidance will have on its consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU No. 2019-12, Simplifying the Accounting for Income Taxes (“ASU 2019-12”), which simplifies the accounting for income taxes, eliminates certain exceptions within ASC 740, Income Taxes, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. ASU 2019-12 is effective for fiscal years beginning after December 15, 2021. Most amendments within the standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company is currently evaluating the impacts of the provisions of ASU 2019-12 on its financial condition, results of operations, and cash flows.

In March 2020, the FASB issued ASU No. 2030-20 Codification Improvements to Financial Instruments, An Amendment of the FASB Accounting Standards Codification: a) in ASU No. 2016-01, b) in Subtopic 820-10, c) for depository and lending institutions clarification in disclosure requirements, d) in Subtopic 470-50, e) in Subtopic 820-10, f) Interaction of Topic 842 and Topic 326, g) Interaction of the guidance in Topic 326 and Subtopic 860-20. The amendments in this Update represent changes to clarify or improve the Codification. The amendments make the Codification easier to understand and easier to apply by eliminating inconsistencies and providing clarifications. For public business entities updates under the following paragraphs: a), b), d) and e) are effective upon issuance of this final update. The effective date for c) is for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The Company does not expect that the new guidance will significantly impact its consolidated financial statements.

Results of Operations

The fiscal year ended March 31, 2020 was the first year of full market release of the Bioflux MCT device for commercialization, launched in limited market release in April 2018, after receiving its second and final required FDA clearance in December 2017. To commence commercialization, we ordered device inventory from our FDA-approved manufacturer and hired a small, captive sales force, with deep experience in cardiac technology sales. We expanded on our limited market release, which identified potential anchor clients who could be early adopters of our technology, by increasing our sales force and geographic footprint during fiscal 2020, and had launched sales in 13 U.S. states by March 31, 2020. The Company has experienced sequential growth month over month, every month since it commenced commercialization, with the exception of the month of April 2020 when the US implemented extra-ordinary measures to close large portions of its economy in order to stem the tide of the COVID-19 pandemic.

During the three months ended June 30, 2020, the Company earned combined device sales and technology fee income totaling \$451,898, a 38.2% increase over the corresponding period in the preceding year. The Company achieved this result despite experiencing an approximately 30% decrease in its business activities during the month of April 2020, the first month of the quarter, largely as a result of pent-up demand for Biotricity’s technology and services in the months of May and June. The Company also introduced innovative sales programs designed to limit the need for in-person patient visits and provide streamlined logistics in making our technology available for patient use.

During the three months ended June 30, 2020, Biotricity incurred a net loss of \$3.4 million (loss per share of 0.09 cents), such that from its inception in 2009 to this date, the Company has generated an accumulated deficit of \$49,758,758. During the period of initial commercialization of the Bioflux and the build out of the Company’s expended technology eco-system, we devoted, and expect to continue to devote, significant resources in higher a high-caliber sales force. We also devoted and expect to continue to devote capital to our research and development programs and incur additional operating losses as we build the infrastructure required to support higher sales volumes.

During the three months ended June 30, 2020, the Company experienced a gross margin of 57.6%, compared to 53.9% for the corresponding period of the prior year. Management expects that the cost of devices sold, as well as cellular and other costs associated with technology fees will become lower on average as business sales volumes expand.

Three Months Ended June 30, 2020 and June 30, 2019

Operating Revenues and Expenses

Operating Expenses

Total operating expenses for the three months ended June 30, 2020 were \$3.6 million compared to \$2.3 million for the corresponding period of fiscal 2019, as further described below.

General and administrative expenses

Our general and administrative expenses for the three months ended June 30, 2020 increased to \$3.2 million compared to \$2.1 million during the three months ended June 30, 2019. This increase was primarily due to marketing and promotion costs associated with launching the Company and its products, as well as the cost of expanding our sales force and building an engineering division that is less reliant on contract consultants.

Research and development expenses

During the three months ended June 30, 2020 we incurred research and development expenses of \$423,883 compared to \$213,496 incurred in the three months ended June 30, 2019. The increase in research and development activity related to work related to our pursuit of FDA clearance of new products, as well as the development of existing and new products, including the engineering of future product enhancements continues.

Accretion expense

During the three months ended June 30, 2020 and 2019, we incurred no accretion expense.

Change in fair value of derivative liabilities

During the three months ended June 30, 2020, the Company recognized a gain of \$204,142 in expenses related to the change in fair value of derivative liabilities, compared to no change in fair value in the prior fiscal year.

Net Loss

As a result of the foregoing, the net loss attributable to common stockholders for the three months ended June 30, 2020 was \$ 3.4 million compared to a net loss of \$2.1 million during the corresponding fiscal period of 2019.

Translation Adjustment

Translation adjustment for the three months ended June 30, 2020 was a loss of \$105,001 compared to a loss of \$22,586, for the corresponding period ended June 30, 2019. This translation adjustment represents gains and losses that result from the translation of currency in the financial statements from our functional currency of Canadian dollars to the reporting currency in U.S. dollars over the course of the reporting period.

Liquidity and Capital Resources

The Company is in commercialization mode, while continuing to pursue the development of its next generation MCT product as well as new products that are being developed.

We generally require cash to:

- purchase devices that will be placed in the field for pilot projects and to produce revenue,
- launch sales initiatives,
- fund our operations and working capital requirements,
- develop and execute our product development and market introduction plans,

- fund research and development efforts, and
- pay any expense obligations as they come due.

The Company is an emerging growth entity that is in the early stages of commercializing its first product and is concurrently in development mode, operating a research and development program in order to develop, obtain regulatory approval for, and commercialize other proposed products. As a result of its early-revenue-stage operations, the Company has incurred recurring losses from operations, and as at June 30, 2020, has an accumulated deficit of \$49,758,758 and a working capital deficiency of \$2,696,943. The Company launched its first commercial sales program as part of a limited market release, during the year ended March 31, 2019, using an experienced professional in-house sales team. A full market release ensued during the year ended March 31, 2020. Management anticipates the Company will continue on its revenue growth trajectory and improve its liquidity through continued business development and after additional equity or debt capitalization of the Company. The Company has developed and continues to pursue sources of funding that management believes if successful would be sufficient to support the Company's operating plan and alleviate any substantial doubt as to its ability to meet its obligations at least for a period of one year from the date of these consolidated financial statements. The Company raised \$3,094,820 in promissory notes and short term loans during the year ended March 31, 2020. Starting in December 2019, the Company has issued 8,045 Series A preferred shares, issuing 6,100 of these for cash proceeds of \$6,100,000 and 1,945 of these were issued on conversion of \$1,945,000 of promissory notes and accrued interest. The Company has also received government funding provided for economic support during COVID-19, including \$1.6 million raised during the three months ended June 30, 2020.

As we proceed with the commercialization of the Bioflux product development, we expect to continue to devote significant resources on capital expenditures, as well as research and development costs and operations, marketing and sales expenditures.

We expect to require additional funds to further develop our business plan, including the anticipated commercialization of the Bioflux and other technologies that will form part of its eco-systems. Based on our current operating plans, we will require approximately \$8million (more in order to accelerate commercialization further and faster) to grow our sales team and order devices that will be placed in the field to produce revenue. A portion of these funds will also go towards the further development of Bioflux in its next generation, in addition to including marketing, sales, regulatory and clinical costs to better introduce the product into the market place. We anticipate that we will need to raise additional funds through equity or debt offerings or otherwise in order to meet our expected future liquidity requirements.

Based on the above facts and assumptions, we believe our existing cash and cash equivalents, along with anticipated near-term equity financings, will be sufficient to meet our needs for the next twelve months. However, we will need to seek additional debt or equity capital to respond to business opportunities and challenges, including our ongoing operating expenses, protecting our intellectual property, developing or acquiring new lines of business and enhancing our operating infrastructure. The terms of our future financings may be dilutive to, or otherwise adversely affect, holders of our common stock. We may also seek additional funds through arrangements with collaborators or other third parties. There can be no assurance we will be able to raise this additional capital on acceptable terms, or at all. If we are unable to obtain additional funding on a timely basis, we may be required to modify our operating plan and otherwise curtail or slow the pace of development and commercialization of our proposed product lines.

Net Cash Used in Operating Activities

During the three months ended June 30, 2020, we used cash in operating activities of \$2,393,107 compared to \$1,328,375 for the three months ended June 30, 2019. These activities involved expenditures undertaken on business development, marketing and operating activities, as well as continued research and product development.

Net Cash from Financing Activities

Net cash provided by financing activities was \$1,573,987 for the three months ended June 30, 2020 compared to \$1,329,802 for the three months ended June 30, 2019.

Net Cash Used in Investing Activities

The Company did not use any net cash in investing activities in the three month periods ended June 30, 2020 and 2018.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not required for a smaller reporting company.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's Exchange Act reports is recorded, processed, summarized and reported within the time communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure based closely on the definition of "disclosure controls and procedures" in Rule 13a-15(e). The Company's disclosure controls and procedures are designed to provide a reasonable level of assurance of reaching the Company's desired disclosure control objectives. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Therefore, even a system which is determined to be effective cannot provide absolute assurance that all control issues have been detected or prevented. Our systems of internal controls are designed to provide reasonable assurance with respect to financial statement preparation and presentation.

At the end of the period being reported upon, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to ensure that the material information required to be included in our Securities and Exchange Commission reports is accumulated and communicated to our management, including our principal executive and financial officer, as well as recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms relating to the Company.

Changes in Internal Controls

There were no changes in the Company's internal controls over financial reporting that occurred during the three-month period ended June 30, 2020 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors

Not required for smaller reporting companies.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

During the period of April 22 to June 22, 2020, the Company issued 791,000 common shares, valued in the aggregate amount of \$1,063,754 (determined by the market date price on the date of issuance) as compensation for consultants and advisors in exchange for the provision of marketing and other general and administrative services.

The securities referenced above were offered and sold pursuant to an exemption from the registration requirements under Section 4(a)(2) of the Securities Act since, among other things, the transactions did not involve a public offering.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

[4.1 Note with U.S. Small Business Administration](#)

[31.1 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*](#)

[31.2 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*](#)

[32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**](#)

[32.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**](#)

101.1 XBRL Instance.*

101.SCH XBRL Taxonomy Extension Schema.*

101.CAL XBRL Taxonomy Extension Calculation.*

101.DEF XBRL Taxonomy Extension Definition.*

101.LAB XBRL Taxonomy Extension Labels.*

101.PREXBRL Taxonomy Extension Presentation.*

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, this 14th day of August 2020.

BIOTRICITY INC.

By: /s/ Waqaas Al-Siddiq
Name: Waqaas Al-Siddiq
Title: Chief Executive Officer
(principal executive officer)

By: /s/ John Ayanoglou
Name: John Ayanoglou
Title: Chief Financial Officer
(principal financial and accounting officer)

NOTE

A PROPERLY SIGNED NOTE IS REQUIRED PRIOR TO ANY DISBURSEMENT

CAREFULLY READ THE NOTE: It is your promise to repay the loan.


- The Note is pre-dated. **DO NOT CHANGE THE DATE OF THE NOTE.**
- **LOAN PAYMENTS** will be due as stated in the Note.
- **ANY CORRECTIONS OR UNAUTHORIZED MARKS MAY VOID THIS DOCUMENT.**
- Contact your Case Manager immediately if you: discover any errors or omissions; or if you have any questions.

SIGNING THE NOTE: All borrowers must sign the Note.

- Sign your name *exactly* as it appears on the Note. If typed incorrectly, you should sign with the correct spelling.
- If your middle initial appears on the signature line, sign with your middle initial.
- If a suffix appears on the signature line, such as Sr. or Jr., sign with your suffix.
- Do not sign as a Power of Attorney unless the information concerning the Power of Attorney (or Attorney-in-Fact) is printed on the signature lines of the Note.
- Corporate Signatories: Authorized representatives should sign the signature page, and affix the corporate seal if you have one.

RETURN THE NOTE TO SBA: Mail the signed original Note to SBA at the address below. You may keep the copy marked as "*Borrower's Copy*" for your records.

U.S. Small Business Administration
Processing and Disbursement Center
14925 Kingsport Road
Fort Worth, TX 76155

	U.S. Small Business Administration	Date: April 1, 2020
	NOTE	Loan Amount: \$370,900.00
	(SECURED DISASTER LOANS)	Annual Interest Rate: 3.750%

Application # 2000068993

Loan # EIDL 4323307004

1. **PROMISE TO PAY:** In return for a loan, Borrower promises to pay to the order of SBA the amount of Three Hundred Seventy Thousand Nine Hundred Dollars (\$370,900.00) interest on the unpaid principal balance, and all other amounts required by this Note.
2. **DEFINITIONS:** A) "Collateral" means any property taken as security for payment of this Note or any guarantee of this Note. B) "Guarantor" means each person or entity that signs a guarantee of payment of this Note. C) "Loan Documents" means the documents related to this loan signed by Borrower, any Guarantor, or anyone who pledges collateral.
3. **PAYMENT TERMS:** Borrower must make all payments at the place SBA designates. Borrower may prepay this Note in part or in full at any time, without notice or penalty. Borrower must pay principal and interest payments of One Thousand Eight Hundred Eight And 00/100 (\$1,808.00) every month beginning Twelve (12) months from the date of the Note. SBA will apply each installment payment first to pay interest accrued to the day SBA receives the payment and will then apply any remaining balance to reduce principal. All remaining principal and accrued interest is due and payable Thirty (30) years from the date of the Note.
4. **DEFAULT:** Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower: **A)** Fails to comply with any provision of this Note, the Loan Authorization and Agreement, or other Loan Documents; **B)** Defaults on any other SBA loan; **C)** Sells or otherwise transfers, or does not preserve or account to SBA's satisfaction for, any of the Collateral or its proceeds; **D)** Does not disclose, or anyone acting on their behalf does not disclose, any material fact to SBA; **E)** Makes, or anyone acting on their behalf makes, a materially false or misleading representation to SBA; **F)** Defaults on any loan or agreement with another creditor, if SBA believes the default may materially affect Borrower's ability to pay this Note; **G)** Fails to pay any taxes when due; **H)** Becomes the subject of a proceeding under any bankruptcy or insolvency law; **I)** Has a receiver or liquidator appointed for any part of their business or property; **J)** Makes an assignment for the benefit of creditors; **K)** Has any adverse change in financial condition or business operation that SBA believes may materially affect Borrower's ability to pay this Note; **L)** Dies; **M)** Reorganizes, merges, consolidates, or otherwise changes ownership or business structure without SBA's prior written consent; or **N)** Becomes the subject of a civil or criminal action that SBA believes may materially affect Borrower's ability to pay this Note.
5. **SBA'S RIGHTS IF THERE IS A DEFAULT:** Without notice or demand and without giving up any of its rights, SBA may: **A)** Require immediate payment of all amounts owing under this Note; **B)** Have recourse to collect all amounts owing from any Borrower or Guarantor; **C)** File suit and obtain judgment; **D)** Take possession of any Collateral; or **E)** Sell, lease, or otherwise dispose of, any Collateral at public or private sale, with or without advertisement.
6. **SBA'S GENERAL POWERS:** Without notice and without Borrower's consent, SBA may: **A)** Bid on or buy the Collateral at its sale or the sale of another lienholder, at any price it chooses; **B)** Collect amounts due under this Note, enforce the terms of this Note or any other Loan Document, and preserve or dispose of the Collateral. Among other things, the expenses may include payments for property taxes, prior liens, insurance, appraisals, environmental remediation costs, and reasonable attorney's fees and costs. If SBA incurs such expenses, it may demand immediate reimbursement from Borrower or add the expenses to the principal balance; **C)** Release anyone obligated to pay this Note; **D)** Compromise, release, renew, extend or substitute any of the Collateral; and **E)** Take any action necessary to protect the Collateral or collect amounts owing on this Note.
7. **FEDERAL LAW APPLIES:** When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.
8. **GENERAL PROVISIONS:** **A)** All individuals and entities signing this Note are jointly and severally liable. **B)** Borrower waives all suretyship defenses. **C)** Borrower must sign all documents required at any time to comply with the Loan Documents and to enable SBA to acquire, perfect, or maintain SBA's liens on Collateral. **D)** SBA may exercise any of its rights separately or together, as many times and in any order it chooses. SBA may delay or forgo enforcing any of its rights without giving up any of them. **E)** Borrower may not use an oral statement of SBA to contradict or alter the written terms of this Note. **F)** If any part of this Note is unenforceable, all other parts remain in effect. **G)** To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor. Borrower also waives any defenses based upon any claim that SBA did not obtain

2000068993/EIDL 4323307004

any guarantee; did not obtain, perfect, or maintain a lien upon Collateral; impaired Collateral; or did not obtain the fair market value of Collateral at a sale. **H)** SBA may sell or otherwise transfer this Note.

9. **MISUSE OF LOAN FUNDS:** Anyone who wrongfully misapplies any proceeds of the loan will be civilly liable to SBA for one and one-half times the proceeds disbursed, in addition to other remedies allowed by law

10. **BORROWER'S NAME(S) AND SIGNATURE(S):** By signing below, each individual or entity acknowledges and accepts personal obligation and full liability under the Note as Borrower.

Corporate Seal

Corporate Execution:

BIOTRICITY INC.

BY: 
WAQAAS AL-SIDDIQ, PRESIDENT

BY: 
WAQAAS AL-SIDDIQ, SECRETARY

NOTE

A PROPERLY SIGNED NOTE IS REQUIRED PRIOR TO ANY DISBURSEMENT

CAREFULLY READ THE NOTE: It is your promise to repay the loan.


- The Note is pre-dated. **DO NOT CHANGE THE DATE OF THE NOTE.**
- **LOAN PAYMENTS** will be due as stated in the Note.
- **ANY CORRECTIONS OR UNAUTHORIZED MARKS MAY VOID THIS DOCUMENT.**
- Contact your Case Manager immediately if you: discover any errors or omissions; or if you have any questions.

SIGNING THE NOTE: All borrowers must sign the Note.

- Sign your name *exactly* as it appears on the Note. If typed incorrectly, you should sign with the correct spelling.
- If your middle initial appears on the signature line, sign with your middle initial.
- If a suffix appears on the signature line, such as Sr. or Jr., sign with your suffix.
- Do not sign as a Power of Attorney unless the information concerning the Power of Attorney (or Attorney-in-Fact) is printed on the signature lines of the Note.
- Corporate Signatories: Authorized representatives should sign the signature page, and affix the corporate seal if you have one.

RETURN THE NOTE TO SBA: Mail the signed original Note to SBA at the address below. You may keep the copy marked as "*Borrower's Copy*" for your records.

U.S. Small Business Administration
Processing and Disbursement Center
14925 Kingsport Road
Fort Worth, TX 76155

	U.S. Small Business Administration	Date: April 1, 2020
	NOTE	Loan Amount: \$370,900.00
	(SECURED DISASTER LOANS)	Annual Interest Rate: 3.750%

Application # 2000068993

Loan # EIDL 4323307004

1. **PROMISE TO PAY:** In return for a loan, Borrower promises to pay to the order of SBA the amount of **Three Hundred Seventy Thousand Nine Hundred Dollars (\$370,900.00)** interest on the unpaid principal balance, and all other amounts required by this Note.
2. **DEFINITIONS:** A) "Collateral" means any property taken as security for payment of this Note or any guarantee of this Note. B) "Guarantor" means each person or entity that signs a guarantee of payment of this Note. C) "Loan Documents" means the documents related to this loan signed by Borrower, any Guarantor, or anyone who pledges collateral.
3. **PAYMENT TERMS:** Borrower must make all payments at the place SBA designates. Borrower may prepay this Note in part or in full at any time, without notice or penalty. Borrower must pay principal and interest payments of **One Thousand Eight Hundred Eight And 00/100 (\$1,808.00)** every **month** beginning **Twelve (12)** months from the date of the Note. SBA will apply each installment payment first to pay interest accrued to the day SBA receives the payment and will then apply any remaining balance to reduce principal. All remaining principal and accrued interest is due and payable **Thirty (30) years** from the date of the Note.
4. **DEFAULT:** Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower: **A)** Fails to comply with any provision of this Note, the Loan Authorization and Agreement, or other Loan Documents; **B)** Defaults on any other SBA loan; **C)** Sells or otherwise transfers, or does not preserve or account to SBA's satisfaction for, any of the Collateral or its proceeds; **D)** Does not disclose, or anyone acting on their behalf does not disclose, any material fact to SBA; **E)** Makes, or anyone acting on their behalf makes, a materially false or misleading representation to SBA; **F)** Defaults on any loan or agreement with another creditor, if SBA believes the default may materially affect Borrower's ability to pay this Note; **G)** Fails to pay any taxes when due; **H)** Becomes the subject of a proceeding under any bankruptcy or insolvency law; **I)** Has a receiver or liquidator appointed for any part of their business or property; **J)** Makes an assignment for the benefit of creditors; **K)** Has any adverse change in financial condition or business operation that SBA believes may materially affect Borrower's ability to pay this Note; **L)** Dies; **M)** Reorganizes, merges, consolidates, or otherwise changes ownership or business structure without SBA's prior written consent; or **N)** Becomes the subject of a civil or criminal action that SBA believes may materially affect Borrower's ability to pay this Note.
5. **SBA'S RIGHTS IF THERE IS A DEFAULT:** Without notice or demand and without giving up any of its rights, SBA may: **A)** Require immediate payment of all amounts owing under this Note; **B)** Have recourse to collect all amounts owing from any Borrower or Guarantor; **C)** File suit and obtain judgment; **D)** Take possession of any Collateral; or **E)** Sell, lease, or otherwise dispose of, any Collateral at public or private sale, with or without advertisement.
6. **SBA'S GENERAL POWERS:** Without notice and without Borrower's consent, SBA may: **A)** Bid on or buy the Collateral at its sale or the sale of another lienholder, at any price it chooses; **B)** Collect amounts due under this Note, enforce the terms of this Note or any other Loan Document, and preserve or dispose of the Collateral. Among other things, the expenses may include payments for property taxes, prior liens, insurance, appraisals, environmental remediation costs, and reasonable attorney's fees and costs. If SBA incurs such expenses, it may demand immediate reimbursement from Borrower or add the expenses to the principal balance; **C)** Release anyone obligated to pay this Note; **D)** Compromise, release, renew, extend or substitute any of the Collateral; and **E)** Take any action necessary to protect the Collateral or collect amounts owing on this Note.
7. **FEDERAL LAW APPLIES:** When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.
8. **GENERAL PROVISIONS:** **A)** All individuals and entities signing this Note are jointly and severally liable. **B)** Borrower waives all suretyship defenses. **C)** Borrower must sign all documents required at any time to comply with the Loan Documents and to enable SBA to acquire, perfect, or maintain SBA's liens on Collateral. **D)** SBA may exercise any of its rights separately or together, as many times and in any order it chooses. SBA may delay or forgo enforcing any of its rights without giving up any of them. **E)** Borrower may not use an oral statement of SBA to contradict or alter the written terms of this Note. **F)** If any part of this Note is unenforceable, all other parts remain in effect. **G)** To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor. Borrower also waives any defenses based upon any claim that SBA did not obtain

2000068993/EIDL 4323307004

any guarantee; did not obtain, perfect, or maintain a lien upon Collateral; impaired Collateral; or did not obtain the fair market value of Collateral at a sale. **H)** SBA may sell or otherwise transfer this Note.

9. **MISUSE OF LOAN FUNDS:** Anyone who wrongfully misapplies any proceeds of the loan will be civilly liable to SBA for one and one-half times the proceeds disbursed, in addition to other remedies allowed by law
10. **BORROWER'S NAME(S) AND SIGNATURE(S):** By signing below, each individual or entity acknowledges and accepts personal obligation and full liability under the Noted as Borrower.

Corporate Seal

Corporate Execution:

BIOTRICITY INC.

BY: 
WAQAAS AL-SIDDIQ, PRESIDENT

BY: 
WAQAAS AL-SIDDIQ, SECRETARY

BIOTRICITY INC.CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Waqaas Al-Siddiq, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Biotricity Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2020

/s/ Waqaas Al-Siddiq
Waqaas Al-Siddiq
Chief Executive Officer
(principal executive officer)

BIOTRICITY INC.

CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, John Ayanoglou, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Biotricity Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2020

/s/ John Ayanoglou

John Ayanoglou
(Principal Financial Officer)

BIOTRICITY INC.

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Biotricity Inc. (the “Company”) for the quarterly period ended June 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Waqaas Al-Siddiq, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 14, 2020

/s/ Waqaas Al-Siddiq

Waqaas Al-Siddiq
Chief Executive Officer
(principal executive officer)

BIOTRICITY INC.

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Biotricity Inc. (the “Company”) for the quarterly period ended June 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John Ayanoglou, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 14, 2020

/s/ John Ayanoglou

John Ayanoglou
(Principal Financial Officer)