FORM 7  
  
MONTHLY PROGRESS REPORT

Name of Listed Issuer: NanoSphere Health Sciences, Inc. (the “Issuer”).

Trading Symbol: NSHS

Number of Outstanding Listed Securities: 108,355,051

Date: July 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer’s ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are “material information” as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

**General Instructions**

1. Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
2. The term “Issuer” includes the Issuer and any of its subsidiaries.
3. Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

**Report on Business**

1. *Provide a general overview and discussion of the development of the Issuer’s business and operations over the previous month. Where the Issuer was inactive disclose this fact.*

The Company continued its progress on commercializing its NanoSphere Delivery System and products. In addition to its NanoSerum transdermal products already for sale in Colorado, discussions progressed on training, manufacturing and sales support for Licensees in California, Oregon and Canada. While a combination of staff turnover at Licensees, along with State and Federal regulations continue to slow and confound product commercialization and sales, important progress continues to be made in regard to IP and patent protection, research and development of our proprietary manufacturing process and new product design.

1. *Provide a general overview and discussion of the activities of management.*

Under new CEO, Mark Percival’s leadership, management continued to assess and streamline procedures while re-organizing staffing, reducing overhead and addressing operational bottlenecks and inefficiencies. Previous licensing models are being assessed in light of new joint venture opportunities that are emerging. Percival has brought cannabis industry expert Stephanie Hopper onboard to collaborate on strategic direction, compliance and operational issues. Ms. Hopper is also a member of Company’s board of directors.

Management has continued their review of research and development needs, patent portfolios, marketing procedures, and cashflow along with the needs of current Licensees. Management and board members meet frequently to review and formulate the priorities in building long term value in Company. According to Percival, “Our focus is unwavering on completing the foundation for strong sustainable growth. NanoSphere is a nanobiotechnology company and our foundation is our patented industry leading NanoSphere Delivery System technology, which we are building on and strengthening every week. By necessity, commercialization and consumer product sales will lag over the short term, yet our Company grows steadily stronger and more valuable. We will be the “Intel Inside” for a growing number of consumer product companies in the near future, with operations expanding throughout the Unites States, and Canada, and in several major markets, with cannabis being just one of them. The Company is looking to expand internationally in the future. Patient investors who recognize the value in our IP and approach will be very pleased over the next 18-24 months. Until then we may well have a series of ups and downs in regard to how we are priced in the markets.”

1. *Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.*

See item 1

1. *Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.*

not applicable.

1. *Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.*

See item 1.

1. *Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer’s affiliates or third parties or cancellation of any financing arrangements that have been previously announced.*

not applicable

1. *Describe any acquisitions by the Issuer or dispositions of the Issuer’s assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.*

See Item 1.

1. *Describe the acquisition of new customers or loss of customers.*

See Item 1.

1. *Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.*

not applicable

1. *Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.*

See Item 1.

1. *Report on any labour disputes and resolutions of those disputes if applicable.*

not applicable.

1. *Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.*

not applicable.

1. *Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.*

not applicable

1. *Provide details of any securities issued and options or warrants granted.*

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| --- | --- | --- | --- |
| **Security** | **Number Issued** | **Details of Issuance** | **Use of Proceeds(1)** |
| Options | 3,710,000 | Exercise price at $0.25 with an expiry date of July 16, 2029 | N/A |
|  |  |  |  |

1. *State aggregate proceeds and intended allocation of proceeds.*
2. *Provide details of any loans to or by Related Persons.*

not applicable.

1. *Provide details of any changes in directors, officers or committee members.*
2. On July 16, 2019, Dr. Richard Kaufman, Stephanie Hopper, Michael Iverson, Toby Lim and David Sutton were re-elected to the Board of Directors at the Company’s annual general meeting.  Mr. Robert Sutton announced his retirement at the Meeting, and declined to stand for re-election. Mr. Michael Iverson has assumed the office of Chairman. David Sutton has also stepped down from the office of President and COO.
3. *Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.*

The Issuer is not aware of any trends that are outside the ordinary course of business which would have an impact generally experienced by other companies engaged in the same business or industry.

**Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated August 7, 2019 .

Mark Percival   
Name of Director or Senior Officer

*“Mark Percival”*   
Signature

Chief Executive Officer   
Official Capacity

Jim Ewing   
Name of Director or Senior Officer

*“Jim Ewing”*   
Signature

Controller   
Official Capacity

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| ***Issuer Details***  Name of Issuer  NanoSphere Health Sciences Inc. | For Month End  2019 July | Date of Report  (YY/MM/DD)  2019/08/07 |
| Issuer Address  #1130 – 5445 DTC Parkway | | |
| City/Province/Postal Code  Greenwood Village, CO, USA 80111 | Issuer Fax No.  ( ) | Issuer Telephone No.  (720) 845-1465 |
| Contact Name  Victor Goncalves | Contact Position  EVP | Contact Telephone No.  (204) 997-5517 |
| Contact Email Address  vgoncalves@nanospherehealth.com | Web Site Address  www.nanospherehealth.com | |