



August 11, 2015

For Immediate Release
(TSX-VEN: VGL)

Vigil Health Solutions Reports Profitable First Quarter

August 11, 2015 (Victoria) – Vigil Health Solutions Inc. (“Vigil”) announces the results of operations for the quarter ending June 30, 2015.

Business Highlights

- Revenue up 8% to \$1.28 million compared to \$1.19 million in the three-month period ended June 30, 2014.
- Earnings \$33 thousand compared to \$32 thousand in three-month period ended June 30, 2014.
- EBITDA \$49 thousand compared to \$71 thousand in the three months ended June 30, 2014.

“In recent years we have seen a greater number of small-to-mid-size Assisted Living facilities being built. This is reflected in our current quarter sales bookings where we saw an increased number of smaller size installations. With the introduction of Vigil Essential and Vigil Mobile we hope to grow these sales, meeting the needs of these smaller communities by providing cost effective, easy-to-use and scalable wireless resident call technology,” stated Troy Griffiths, President and CEO of Vigil Health Solutions Inc.

Financial Results

Revenue for the three-months ended June 30, 2015 was \$1.28 million compared to \$1.19 million in the three-month period ended June 30, 2014, an increase of 8%. This related to higher project values year over year and growing service and maintenance revenues. Project revenue made up 56% of total revenue; the remaining revenue came from follow on sales to existing customers. These sales include service and maintenance billings and replacement products including wireless devices and communication equipment.

Bookings for the quarter were \$1.21 million down 10% compared to the prior fiscal year’s bookings of \$1.35 million. The number of project sales closed increased to 14 in the quarter from 11 in the period ending June 30, 2014. The decline in gross bookings reflects a decrease in the average value of the contracts from \$76 thousand to \$48 thousand in the current quarter.

At June 30, 2015 Vigil had a backlog of approximately \$2.95 million (including \$973 thousand in deposits and progress billings, recorded as deferred revenue on the balance sheet) compared to approximately \$3.11 million (including \$918 thousand in deposits and progress billings, recorded as deferred revenue on the balance sheet) at June 30, 2014. At June 30, 2015, Vigil’s backlog included 33 projects at varying stages of installation and progress billing with an average size of \$89 thousand. There were 35 projects with an average size of \$89 thousand in the three months ended June 30, 2014.

The gross margin percentage for the three months ended June 30, 2015 was 49% compared to 52% for the three months ended June 30, 2014. Favourable foreign exchange rates on US Dollar denominated revenue reported in Canadian Dollars have increased management’s expectations of margin from between 42% and 47% to between 45% and 50%. The effect of the appreciating US dollar is dampened due to the majority of labour and materials being purchased from US suppliers.

Operating expenditures for the three months ended June 30, 2014 were \$599 thousand, up 6% from \$563 thousand for the period ended June 30, 2014. The increase relates primarily to increased sales and marketing staff, higher cost of employee wage and travel costs paid in US dollars.

Earnings for the three month period ended June 30, 2014 were \$33 thousand, or \$0.002 per share compared to \$32 thousand, or \$0.002 per share for the previous year.

Detailed financial statements along with Management Discussion and Analysis have been filed with SEDAR (www.sedar.com).

Financial information will be mailed to entitled security holders on August 21, 2015, or, upon notice to the Company, entitled security holders may request a copy of financials in advance.

Summary Financial Information

	June 30, 2015 (unaudited)	June 30, 2014 (unaudited)
Revenue	\$ 1,283,178	\$ 1,190,625
Cost of sales	650,528	573,317
Gross profit	632,650	617,308
Expenses	598,518	562,638
Income before the following items	34,132	54,670
Other income (expense):	(1,164)	(23,164)
Comprehensive income for the period	\$ 32,968	\$ 31,506

Non-IFRS Measure

For the three months ended June 30, 2015, we are disclosing Adjusted EBITDA, a non-IFRS financial measure, as a supplementary indicator of operating performance. We define Adjusted EBITDA as net income before, interest, income taxes, amortization, stock based compensation and currency gains or losses including derivative foreign exchange differences. We are presenting the non-IFRS financial measure in our filings because we use it internally to make strategic decisions, forecast future results and to evaluate our performance and because we believe that our current and potential investors and analysts use the measure to assess current and future operating results and to make investment decisions. It is a non-IFRS measure, may not be comparable to other companies and it is not intended as a substitute for IFRS measures.

Adjusted EBITDA Reconciliation

	Three months ended	
	June 30, 2015	June 30, 2014
Income for the period	\$ 32,968	\$ 31,506
Add / (deduct)		
Foreign exchange	7,570	30,385
Derivative exchange	(6,375)	(7,481)
Interest	(490)	(612)
Tax	459	872
Stock based compensation	9,672	11,906
Amortization	4,970	4,594
	15,806	39,664
Adjusted EBITDA	\$ 48,774	\$ 71,170

About Vigil Health Solutions Inc.

Vigil offers a proprietary technology platform combining software and hardware to provide comprehensive solutions to the expanding seniors' housing market. Vigil has established a growing presence in North America and an international reputation for being on the leading edge of systems design and integration. Vigil's objective is to offer solutions for the full continuum of care. Vigil's product range includes the

innovative wireless Vitality Care System™ featuring discreet 'mini pendants', a nurse call system, mobile fall, incontinence monitoring, resident check and the award-winning Vigil Dementia System.

Certain statements contained in this news release that are not based on historical facts may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). These forward-looking statements are not promises or guarantees of future performance but are only predictions that relate to future events, conditions or circumstances or our future results, performance, achievements or developments and are subject to substantial known and unknown risks, assumptions, uncertainties and other factors that could cause our actual results, performance, achievements or developments in our business or in our industry to differ materially from those expressed, anticipated or implied by such forward-looking statements.

Forward-looking statements include all financial guidance, disclosure regarding possible events, conditions, circumstances or results of operations that are based on assumptions about future economic conditions, courses of action and other future events. We caution you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. These forward-looking statements appear in a number of different places in this presentation and can be identified by words such as "may", "estimates", "projects", "expects", "intends", "believes", "plans", "anticipates", or their negatives or other comparable words. Forward-looking statements include statements regarding the outlook for our future operations, plans and timing for the introduction or enhancement of our services and products, statements concerning strategies or developments, statements about future market conditions, supply conditions, end customer demand conditions, channel inventory and sell through, revenue, gross margin, operating expenses, profits, forecasts of future costs and expenditures, the outcome of legal proceedings, and other expectations, intentions and plans that are not historical fact.

The risk factors and uncertainties that may affect our actual results, performance, achievements or developments are many and include, amongst others, our ability to develop our sales force and generate revenue, the length of the sales cycle, management of the Company's growth, ability to recruit and retain staff, fluctuations in demand for current and future products, our ability to develop, manufacture, supply and market existing and new products that meet the needs of customers, volatility in the exchange rate, ability to secure financing, ability to secure product liability insurance, the continuous commitment of our customers, increased competition, changes in regulation and reliance on third party suppliers. These risk factors and others are discussed in the Risks and Uncertainties section of our "Management Discussion and Analysis" segment of our fiscal 2015 Annual Report. Many of these factors and uncertainties are beyond the control of the Company. Consequently, all forward-looking statements in this news release are qualified by this cautionary statement and there can be no assurance that actual results, performance, achievements or developments anticipated by the Company will be realized.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions and, except as required by law, the Company does not undertake any obligation to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs and opinions change.

For further information please contact:

Troy Griffiths, President and CEO

Tel: (250) 383-6900

Fax: (250) 383-6999

Email: information@vigil.com

Vigil Health Solutions Inc.

2102-4464 Markham Street

Victoria, BC

V8Z 7X8

Website: www.vigil.com

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.