ASSURE HOLDINGS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2019

This Management's Discussion and Analysis ("MD&A") explains the variations in the consolidated operating results and financial position and cash flows of Assure Holdings Corp. ("Assure" or the "Company") as of and for the years ended December 31, 2019 and 2018. This analysis should be read in conjunction with Assure's consolidated financial statements for the years ended December 31, 2019 and 2018 and related notes (the "consolidated financial statements"). The consolidated financial statements of Assure, and extracts of those consolidated financial statements provided in this MD&A, were prepared in United States dollars and in accordance with International Financial Reporting Standards ("IFRS"). Readers are cautioned that this MD&A contains certain forward-looking information. Please see the "Forward Looking Statements" section below for a discussion of the use of such information in this MD&A.

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All inter-company balances and transactions have been eliminated on consolidation.

The information in this report is dated as of May 28, 2020.

Amounts are stated in thousands of US dollars, except per share amounts.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Our MD&A includes "forward-looking statements" that are subject to risks and uncertainties that may result in actual results differing from the statements we make. Certain information included or incorporated by reference in this report may contain forward-looking statements. This information may involve known and unknown risks, uncertainties, and other factors which may cause our actual results, performance, or achievements to be materially different from the future results, performance, or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe our future plans, strategies, and expectations, are generally identifiable by use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "plan," "intend" or "project" or the negative of these words or other variations on these words or comparable terminology. Certain risks underlying our assumptions are highlighted below; if risks materialize, or if assumptions prove otherwise to be untrue, our results will differ from those suggested by our forward-looking statements and our results and operations may be negatively affected.

Forward-looking statements in this report include statements regarding profitability, additional acquisitions, increasing revenue and adjusted EBITDA, continued growth of our business in line with historical growth rates, trends in our industry, financing plans, our anticipated needs for working capital and leveraging our capabilities. Actual events or results may differ materially from those discussed in forward-looking statements. There can be no assurance that the forward-looking statements currently contained in this report will in fact occur. The Company bases its forward-looking statements on information currently available to it. The Company disclaims any intent or obligations to update or revise publicly any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law. Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this document. Such information involves significant risks and uncertainties and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved.

A number of factors could cause actual results to differ materially from the results discussed in forward-looking information, including, without limitation: our need for additional financing and our estimates regarding our capital requirements, future revenues and profitability; if our patient volume or cases do not grow as expected, or decreases, this could impact revenue and profitability; if we are unable to complete transactions with new physician practices, this could impact our future revenue growth and profitability; unfavorable economic conditions could have an adverse effect on our business; risks related to increased leverage resulting from incurring additional debt; the policies of health insurance carriers may affect the amount of revenue the Company receives; our ability to successfully market and sell our products and services; we may be subject to competition and technological risk which may impact the price and amount of services we can sell and the nature of services we can provide; regulatory changes that are unfavorable in the states where our operations are conducted or concentrated; our ability to comply and the cost of compliance with extensive existing regulation and any changes or amendments thereto; changes within the medical industry and third-party reimbursement policies and our estimates of associated timing and costs with the same; risks related to the Company's reliance on third-party billing and collection companies to appropriately bill healthcare payers and to maximize reimbursement during the collections process; risks related to the Affordable Care Act (the "ACA") or any replacement legislation in terms of patient volume and reimbursement and the corresponding effect on our business; changes in key United States federal or state laws, rules, and regulations; our ability to establish, maintain and defend intellectual property rights; risks related to United States antitrust regulations; risks related to record keeping and confidentiality by our affiliated physicians; our ability to recruit and retain qualified personnel and other resources to provide our services; risks related to any affiliated physicians leaving our affiliated Provider Network Entities ("PNEs"); our ability to enforce non-competition and other restrictive covenants in our agreements; contracts with PNEs, or other customers may be terminated, or may not be renewed, by the counterparty; risks related to corporate practice of medicine and our ability to renew and maintain agreements our contractors; our ability to adequately forecast expansion and the Company's management of anticipated growth; risks related to our dependence on complex information systems; our senior management has been key to our growth and we may be adversely affected if we are unable to retain them, conflicts of interest develop or we lose any key member of our senior management team; risks associated with our dependence on third-party suppliers; changes in the industry and the economy may affect the Company's business; risks related to the competitive nature of the medical industry; evolving practices and regulation of corporate governance and public disclosure may result in additional corporate expenses; adverse events relating to our product or services could result in risks relating to product liability, medical malpractice, other legal claims, insurance and other liabilities; various risks associated with legal, regulatory or investigative proceedings; risks associated with governmental or other investigations or inquiries into marketing and other business practices; we are subject to health and safety risks within our industry; our ability to successfully identify and complete future transactions and integrate our acquisitions; anti-takeover provisions create risks related to lost opportunities; we may not continue to attract PNEs and other licensed providers to provide our services resulting in slower than expected growth; risks associated with the trading of our common shares on a public marketplace which could result in changes to stock prices unrelated to our performance; risks related to the reduction in the reimbursement of our service procedure codes; changes in our effective income tax rates; risks related to our ability to retain and manage third-party service providers; risks related to the failure of our employees and third-party contractors to appropriately record or document services that they provide; risks that while the primary market for the Company's common stock is the TSX Venture Exchange and the Company is a "reporting issuer" in Canada, the Company is a Nevada corporation and its principal business is located in the United States, subject to United States federal and state securities laws, there may be uncertainty regarding the application of the federal and state securities laws to the shares of common stock issued in connection with the qualifying transaction between Assure Holdings, Inc. and Montreux Capital Corp. on May 26, 2017; and risks related to criminal or civil sanctions in connection with failure to comply with privacy regulations regarding the use and disclosure of personal identifiable or other patient information.

COVID-19

In March 2020, there was a global outbreak of COVID-19 (Coronavirus) that has resulted in changes in global supply of certain products. The pandemic is having an unprecedented impact on the U.S. economy as federal, state, and local governments react to this public health crisis, which has created significant uncertainties. These uncertainties include, but are not limited to, the potential adverse effect of the pandemic on the economy, our healthcare partners, our employees and patients. As the pandemic continues to grow, consumer fear about becoming ill with the virus and recommendations and/or mandates from federal, state, and local authorities to avoid large gatherings of people or self-quarantine are continuing to increase, which has already affected, and may continue to affect, the number of procedures performed.

Although Assure has seen over a 70% decline in the number of procedures performed in March and April due to a downturn in elective procedures driven by the COVID-19 pandemic, the volume of cases performed and scheduled for May has increased. In addition, the Company anticipates that the majority of the procedures that were postponed in March and April will be rescheduled for another time in 2020.

OVERVIEW

Assure is focused on providing physicians with a comprehensive suite of services for Intraoperative Neuromonitoring ("IONM"). IONM is a service that has been well established as a standard of care for over 20 years as a risk mitigation tool during invasive surgeries such as spine, ear, nose, and throat, cardiovascular, and other parts of the human body. The Company's operations consist of a single reportable segment. Assure Neuromonitoring employs a technical staff that is on site in the operating room during each procedure and covers the case using industry standard, diagnostic machinery. The technical staff are certified by a third-party credentialing agency. Since 2015, Assure has addressed the Professional IONM component of its business via a series of investments in and management service agreements with PNEs. These PNEs are contracted with offsite neurologists/readers to provide IONM coverage from a remote location as a level of redundancy and risk mitigation in addition to the onsite technical services of the technical company. Collectively, the technical and professional IONM services offered and rendered provide a turnkey platform to help make surgeries safer. The Company's goal is to establish Assure as the premier provider of IONM services by offering a value-added platform that handles every component from scheduling to coverage, to billing and collections. The Company's strategy focuses on utilizing best of breed staff and partners to deliver outcomes that are beneficial to all stakeholders including patients, physicians, and shareholders.

The Company has primarily been engaged in the neuromonitoring of spine and neurosurgeries. The expansion into additional surgical verticals is part of Assure's growth strategy. By applying its neuromonitoring platform to additional surgical verticals such as vascular, ear nose and throat, and several others, the addressable market for Assure's service is greatly expanded. The Company has operations in Louisiana, Michigan, Pennsylvania, Texas, Colorado, South Carolina, and Utah. The Company believes that continued geographic expansion initiatives coupled with the surgical vertical expansion efforts and selective acquisitions will combine to generate substantial growth opportunities going forward.

The Company has financed its cash requirements primarily from revenues generated from its services, by utilizing a bank promissory note and line of credit, from the issuances of convertible debentures, and from the sale of common stock. The Company's ability to maintain the carrying value of its assets is dependent on successfully marketing its services and maintaining future profitable operations, the outcome of which cannot be predicted at this time. The Company has also stated its intention to grow its operations by developing additional PNE relationships and directly contracting with hospitals and surgery centers for services. In the future, it may be necessary for the Company to raise additional funds for the continuing development of its business plan. For further information about Assure, please visit www.sedar.com and www.otcmarkets.com.

RESULTS OF OPERATIONS

Financial and operating highlights for the years ended December 31, 2019 and 2018 and to the date of this report

Revenues are generated from rendering Technical IONM services under which Assure is entitled to 100% of earned revenue. Revenues are also generated from rendering Professional IONM services through Assure's four wholly-owned Provider Network Entities ("PNEs"). The amount of revenue that the Company records per case is based upon a historical collection analysis that is updated semiannually. Contract fees are billings to hospital and surgery center customers at contract rates for cases in which private pay insurers are not involved. The Company also receives a management fee from certain PNEs for which the Company does not have an ownership interest in and for billing fees to the PNEs that are not consolidated into the Company's operations.

The following table provides selected financial information from the consolidated statements of income for the years ended December 31, 2019 and 2018.

	Year Ended December 31, 2019	Year Ended December 31, 2018
Revenue		
Out-of-Network fees, net	$ 13,738	$ 13,899
Contract fees and other	3,987	913
Total revenue	17,725	14,812
Cost of revenues	(4,955)	(3,551)
Gross margin	12,770	11,261
Operating expenses		
General and administrative	8,427	5,312
Sales and marketing	1,435	807
Depreciation and amortization	537	407
Total operating expenses	10,399	6,526
Income from operations	2,371	4,735
Other income/(expenses)		
Earnings from equity method investments	1,305	1,167
Other income/(expense)	172	142
Interest, net	(326)	7
Total other income	1,151	1,316
Income before income taxes	3,522	6,051
Income tax expense	(980)	(1,731)
Net income	$ 2,542	$ 4,320
Basic income per common share	$ 0.07	$ 0.12
Diluted income per common share	$ 0.06	$ 0.10

For the year ended December 31, 2019, Assure managed 5,376 technical cases and 1,038 professional cases where it retained 100% of the professional revenue compared to 2,800 technical cases and 244 professional cases where it retained 100% of the professional revenue in the same period in the prior year, a 111% increase in case volume.

Except where otherwise indicated, all financial information discussed below is 100% of the consolidated results of the Company.

NON-IFRS FINANCIAL MEASURES

The following are non-IFRS measures. Investors are cautioned not to place undue reliance on them and are urged to read all IFRS accounting disclosures present in the consolidated financial statements and accompanying notes to the consolidated financial statements for the years ended December 31, 2019 and 2018. In addition to results reported in accordance with IFRS, the Company uses certain non-IFRS financial measures as supplemental indicators of its financial and operating performance. These non-IFRS financial measures include Adjusted EBITDA and Adjusted Operating Expenses. The Company believes these supplementary financial measures reflect the Company's ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in its business. The Company defines

Adjusted EBITDA as net income before interest, taxes, depreciation and amortization, share based compensation, and related expenses. The Company discloses Adjusted EBITDA to capture the pre-tax profitability of its business before the impact of working capital changes and financing charges. The Company defines Adjusted Operating Expenses as operating expenses before share based compensation, depreciation and amortization and fair value adjustments. The Company discloses Adjusted Operating Expenses to capture the cash basis operating expense separately from the non-cash operating expenses. Adjusted EBITDA and Adjusted Operating Expenses do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. The Company cautions readers to consider these non-IFRS financial measures in addition to, and not as an alternative for, measures calculated in accordance with IFRS.

The non-IFRS measures for the years ended December 31, 2019 and 2018 are reconciled to reported IFRS figures in the tables below.

Adjusted EBITDA

	Year Ended December 31, 2019		Year Ended December 31, 2018	
Reported net income	$	2,542	$	4,320
Interest, net		326		(7)
Depreciation and amortization		537		407
Share based compensation		1,259		364
Income tax expense		980		1,731
Provision for broker warrant fair value		14		(62)
Provision for stock option fair value		8		(80)
	$	5,666	$	6,673

Adjusted Operating Expenses

	Year Ended December 31, 2019		Year Ended December 31, 2018	
Reported operating expenses	$	10,399	$	6,526
Share based compensation		(1,259)		(364)
Depreciation and amortization		(537)		(407)
	$	8,603	$	5,755

Revenue

The Company records technical and professional revenue per case cased upon the historical collection rates for out-of-network billings to private insurance companies. The historical collection rates are calculated based upon the actual cash receipts for all out-of-network billings that are between 2-3 years old at the time of the calculation. The historical collection rates are updated semiannually. Changes in the historical collection rates are applied against all open accounts receivable and those changes are recorded in the period in which the historical collection rates are updated. The Company records professional revenue for the

PNEs in a similar fashion. The Company reserves all open accounts receivable balances once they are aged two years from the date of service.

At June 30, 2019, the Company updated its historical technical and professional collection rates. The historical technical collection rate decreased 6% from the historical technical collection rate as of December 31, 2018 and the historical professional collection rate increased 17% from the historical professional collection rate as of December 31, 2018. The historical professional collection rate for the PNEs stayed virtually the same at June 30, 2019 as is was at December 31, 2018. The impact of the changes in the historical collection rates was recorded during the second quarter of 2019.

At December 31, 2019, the Company updated its historical technical and professional collection rates. The historical technical collection rate decreased 11% from the historical technical collection rate as of June 30, 2019 and the historical professional collection rate increased 10% from the historical professional collection rate as of June 30, 2019. The historical professional collection rate for the PNEs increased 15% from the historical professional rate as of June 30, 2019. The impact of the changes in the historical collection rates were recorded during the fourth quarter of 2019.

Technical revenue represented 59% and 85% of out-of-network fee revenue at December 31, 2019 and 2018, respectively and professional revenue represented 41% and 15% of out-of-network fee revenue at December 31, 2019 and 2018, respectively.

For the years ended December 31, 2019 and 2018, out-of-network fees represent approximately 78% and 94%, respectively, of the Company's revenue. The Company continues to analyze payor rate data with regard to its cash collection experience. This data is the basis for the Company's calculation of the appropriate amount of net realized revenue and the appropriate amount of the valuation allowance for the carrying value of accounts receivable expected to be reported in the financial statements.

Revenues for the years ended December 31, 2019 and 2018 were $17,725 and $14,812, respectively, net of the valuation allowance for the carrying value of accounts receivable. For the years ended December 31, 2019 and 2018, the Company recorded a valuation allowance for the carrying value of its accounts receivable of $19,209 and $11,233, respectively. Of the 2019 valuation allowance amount, $10,251 relates to disputes with private health care insurance companies in three states that have failed to reimburse the Company for claims submitted in those states. The Company is currently considering its strategic options regarding payment for these claims. The balance of the 2019 valuation allowance relates primarily to the decline in the historical technical collection rate discussed above and to the Company reserving all open accounts receivable balances after two years from the date of service.

For the year ended December 31, 2019, Assure managed 5,376 technical cases and 1,038 professional cases where it retained 100% of the professional revenue compared to 2,800 technical cases and 244 professional cases where it retained 100% of the professional revenue in the same period in the prior year, a 111% increase in case volume. On October 31, 2019, the Company acquired the neuromonitoring operations of Neuro-Pro Monitoring ("Neuro-Pro). During November and December 2019, Neuro-Pro performed 596 of the above mentioned technical cases.

For the year ended December 31, 2019, Assure generated approximately 47% of its out-of-network fee revenue from the Colorado market while generating approximately 53% from markets outside of Colorado. For the year ended December 31, 2018, approximately 65%, respectively, of out-of-network fee revenues were generated from the Colorado market while generating approximately 35% from markets outside of Colorado.

The continued acceptance of Assure's neuromonitoring platform has led to an increasing number of relationships in the state of Colorado and expansion into Louisiana, Michigan, Pennsylvania, South Carolina, Texas, and Utah. In the future, the Company expects revenue to continue to increase as it expands its physician network and increases physician acceptance of the Company's services, expands into other verticals, expands into other states or regions of the country and through selective acquisitions.

Assure focuses primarily on billing out-of-network fees for private insurance cases and certain commercial payer managed government cases, while other government cases are typically billed to hospitals or surgery centers at contracted fees. In September 2019, the Company announced that it had entered into its first in-network agreement with Aetna Network Services LLC that covers certain services in Michigan. While in-network agreements may result in lower reimbursement rates than historically experienced, they typically result in fewer denials of cases, assurity of collections and faster collections after the applicable bills have been submitted to the insurance companies. The Company anticipates expanding its in-network billing presence with other national insurance providers in the future months.

For cases billed to private insurance and certain commercial managed parties, the Company has to date collected approximately 41% of the related out-of-network fee revenue recorded in 2018 and 13% of the related out-of-network fee revenue recorded in 2019 as of December 31, 2019.

Revenue from contract fees increased to $3,987 during the year ended December 31, 2019 as compared to $913 for the year ended December 31, 2018. The primary reason for this increase relates to the expanding number of PNE entities that pay the Company a management fee as opposed to the Company having an ownership interest and recording its share of the PNE entity operating results.

Cost of Revenues

Cost of revenues consist primarily of third-party billing fees, technician wages and medical supplies. Cost of revenues for the year ended December 31, 2019 were $4,955 compared to $3,551 for the same period in 2018. Technical wages and medical supplies vary with the number of neuromonitoring cases. During 2019, the number of neuromonitoring cased increased 111% compared to 2018. The cost of revenues as a percentage of total revenues for the year ended December 31, 2019 was 28% versus 24% for the same period in 2018. The increase in the cost of revenues as a percentage of total revenue in the 2019 versus the 2018 period was due primarily to the valuation allowance of the carrying value of its accounts receivable recorded in 2019 that related to the dispute with the private health care insurance companies.

Total Operating Expenses

For the year ended December 31, 2019, total operating expenses were $10,399, compared to $6,526 for the year ended December 31, 2018. Operating expenses primarily consist of professional fees, general and administrative salaries and expenses related to various overhead functions, sales and marketing expenses, share based compensation and other related expenses. The increase in total operating expenses during the year ended December 31, 2019 versus 2018 relate primarily to additional employees to support the Company's growth, to higher share based compensation and to higher professional expenses associated with the Company's fund raising activities. The Company expects operating expenses to increase as the Company continues to invest in activities designed to increase demand, expand its footprint, and increase commercial acceptance of its turnkey IONM platform.

The Company expects sales and marketing expenses to increase in aggregate as this is the primary source of business development outside of selective acquisitions. During 2019 and 2018, the Company did not rely on any forms of marketing such as trade shows, publications, or event sponsorship, but rather leveraged existing relationships and catered to prospective professional partners. In addition, there is an ongoing component of the sales and marketing expense that is devoted to retention of these key partnerships. To date, there have been very few clients that have left the Company. Management attributes this to a high level of service and a high degree of overall value and satisfaction generated by the Assure platform.

Income from Operations

Income from operations for the years ended December 31, 2019 and 2018 was $2,371 and $4,735, respectively. The decrease is primarily due to the increase in operating expenses, partially offset by increased number of cases discussed above.

Earnings from Equity Method Investments

Assure recognizes its pro-rata share of the net income generated by the non-wholly-owned PNEs. During the year ended December 31, 2019, the Company recognized $1,305 of earnings from equity method investments compared to $1,167 for the year ended December 31, 2018. The increase is primarily associated an increased number of cases and an increase in the professional collection rate used to record revenue per case, partially offset by the purchase of Littleton Professional Reading (a previous PNE). For the years ended December 31, 2019 and 2018, the Company received cash distributions from the PNEs of $979 and $1,171, respectively.

Income Before Tax

Income before income taxes for the years ended December 31, 2019 and 2018 was $3,522 and $6,051, respectively, largely resulting from the variance in income from operations discussed above.

Adjusted EBITDA

The Adjusted EBITDA is net income before interest, taxes, depreciation and amortization, shares based compensation, and provisions for broker warrant and stock option fair value. For the year ended December 31, 2019, the Company generated $5,666 of Adjusted EBITDA compared to $6,673 for the year ended December 31, 2018.

Income Tax Expense

For the year ended December 31, 2019 and 2018 income tax expense was $980 and $1,731, respectively. Income taxes as a percentage of income before income taxes were 27% and 29% for the year ended December 31, 2019 and 2018, respectively. The Company's estimated annual tax rate is impacted primarily by the amount of taxable income earned in each jurisdiction the Company operates in and permanent differences between financial statement carrying amounts and the tax basis. During the year ended December 31, 2019, the Company's effective tax rate decreased as a result of a decrease in the future value of expected tax deductions.

Net Income and Earnings Per Basic Common Share

For the year ended December 31, 2019, the Company recorded net income of $2,542 or $0.07 per share, compared to a net income of $4,320 or $0.12 per share for the same period in 2018.

The following tables show the historical revenue, net income (loss) attributable to Assure stockholders, adjusted EBITDA and basic earnings (loss) per common share for the previous four quarters of 2019 and 2018.

Summary of Quarterly Results

	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Revenue, net of accounts receivable valuation allowance	$ (4,658)	$ 7,951	$ 8,389	$ 6,043
Net income/(loss) attributable to Assure stockholders	(6,793)	3,563	4,032	1,740
Adjusted EBITDA	(8,134)	5,095	5,684	3,021
Basic earnings/(loss) per common share	(0.20)	0.10	0.12	0.05

	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Revenue, net of accounts receivable valuation allowance	$ (3,026)	$ 6,103	$ 6,034	$ 5,701
Net income/(loss) attributable to Assure stockholders	(5,039)	3,118	3,277	2,964
Adjusted EBITDA	(6,495)	4,720	4,238	4,210
Basic earnings/(loss) per common share	(0.14)	0.09	0.09	0.08

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash position at December 31, 2019 was $59 compared to the December 31, 2018 cash balance of $831. Working capital remained constant at $22,106 as of December 31, 2019 compared to $22,294 at December 31, 2018, largely on the basis of an increase of approximately of $8,688 in net accounts receivables, partially offset by an increase in current liabilities of $7,838. The Company relies on payments from multiple private insurers and hospital systems that have payment policies and payment cycles that vary widely. Because the Company is an out-of-network biller to private insurance companies, the collection times for its claims can last in excess of 24 months.

For the year ended December 31, 2019, the Company collected approximately $8,000 of cash from its accounts receivable balance compared to collecting approximately $9,000 in the same prior year period despite the carrying amount of accounts receivable increasing. The Company had $979 of cash distributions from its PNE entities for the year ended December 31, 2019 compared to $1,171 for the same prior year period.

The Company has financed its operations primarily from revenues generated from services rendered and through equity and debt financings. The Company expects to meet its short-term obligations, through cash earned through operating activities, debt financings, issuances of convertible debentures, and stock sales. As of December 31, 2019, the Company has drawn the full amount on its banking line of credit.

Cash used in operating activities for the year ended December 31, 2019 was $4,228 compared to cash used in operating activities of $361 for the same period in the preceding year. Cash was used to fund working capital increases primarily in accounts receivable related to the growth of the Company.

Cash provided by investing activities of $465 and $875 for the years ended December 31, 2019 and 2018, respectively, was primarily due to distributions received from equity method investments. On May 29, 2019, the Company acquired the net assets, primarily consisting of accounts receivable, of Littleton Professional Reading for $700. Of this amount $466 was paid during the year ended December 31, 2019 and the remainder is due prior to the end of 2020. Through May 15, 2020, the Company collected approximately $700 of cash from the accounts receivable acquired in the Littleton Professional Reading acquisition.

Cash provided by financing activities of $2,991 for the year ended December 31, 2019 was primarily due to net proceeds from the Company's bank promissory note and line of credit, proceeds from the issuance of convertible debentures, and proceeds from a sale-leaseback transaction, offset by payments associated with lease liabilities and debt obligations. Cash provided by financing activities of $102 for the year ended December 31, 2018 related to net proceeds from a bank line of credit and payments associated with lease liabilities.

The Company's near-term cash requirements relate primarily to payroll expenses, trade payables, debt payments, capital lease payments, and general corporate obligations. Approximately 49% and 72% of the trade and other payables at December 31, 2019 and 2018, respectively, consist of accrued billing fees. These fees will not be due and payable until the underlying accounts receivable is collected.

The following table summarizes the relative maturities of the financial liabilities, including interest, as applicable, of the Company:

December 31, 2019					
	Total	Less than 1 year	1 - 4 years	4 - 5 years	Over 5 years
Trade and other payables	$ 4,365	$ 4,365	$ -	$ -	$ -
Bank Debt	2,418	1,664	754	-	-
Convertible debt	965	-	965	-	-
Lease liabilities	1,055	524	531	-	-
Acquisition liability	7,459	5,030	2,429	-	-
Other liabilities	81	81	-	-	-
	$ 16,343	$ 11,664	$ 4,679	$ -	$ -

December 31, 2018					
	Total	Less than 1 year	1 - 4 years	4 - 5 years	Over 5 years
Trade and other payables	$ 3,016	$ 3,016	$ -	$ -	$ -
Bank Debt	274	274	-	-	-
Lease liabilities	691	274	417	-	-
	$ 3,981	$ 3,564	$ 417	$ -	$ -

As of December 31, 2019, the Company has no material cash contractual obligations, other than those obligations relating to its debt and lease liabilities as described above.

OUTSTANDING SHARE CAPITAL

As of December 31, 2019, there were 34,795,313 (December 31, 2018: 35,562,105) common shares issued and outstanding. The Company has 3,186,000 options and 392,755 warrants outstanding under the terms described in Note 10 to the consolidated financial statements as of December 31, 2019.

Performance share compensation – As part of a reverse takeover transaction ("RTO") during 2016 (see Note 2 to the Consolidated Financial Statements for the year ended December 31, 2018 as filed on April 15, 2019 on SEDAR at www.sedar.com), the Company entered into a one-time stock grant agreement with two executives (Messrs. Preston Parsons and Matthew Willer) on November 8, 2016, each of which defines a bonus share threshold as follows: should the Company meet or exceed a 2017 fiscal year EBITDA threshold of C$7,500, the Company would issue 6,000,000 common shares of the surviving issuer at the trailing 30-day average closing price. The performance share grant was structured as part of the RTO transaction to provide additional equity to management conditioned upon performance achievements. As the Company achieved the EBITDA threshold for the year ended December 31, 2017, the Company has recorded a liability of approximately $16,000 for the value of the shares to be issued while the agreements are modified and the cash collected threshold is achieved, which the Company deems probable. No performance shares have been issued through December 31, 2019.

During March 2019, Mr. Parsons agreed to amend his performance share agreement whereby the 5 million common shares due to him will be distributed based upon the Company collecting $9,800 of cash receipts and achieving certain other milestones. As of March 31, 2019, the Company had collected over 100% of the required cash receipts. The last date that the common shares can be issued to Mr. Parson is June 30, 2020. Additionally, Mr. Parsons has voluntarily decided to distribute 1,000,000 performance shares to certain original employees of the Company, 300,000 performance shares to John Farlinger, Chief Executive

Officer, and 200,000 performance shares to each of Trent Carmen, Chief Financial Officer, and Alex Rasmussen, Vice President of Operations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no material undisclosed off-balance sheet arrangements that have or are reasonably likely to have, a current or future effect on our results of operations or financial condition.

PROPOSED TRANSACTIONS

Other than the transaction disclosed below in Subsequent Events, the Company has no material undisclosed transactions in process.

TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its wholly owned and controlled subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Company and other related parties are disclosed below:

	December 31, 2019		December 31, 2018	
Due from PNEs, net (a)	$	2,489	$	400
Due from management and Board, net (b)		128		2,566
Due from related parties, net	$	2,617	$	2,966

(a) Amount due from or to a PNE is interest-free and subject to repayment within one year. Most of this balance relates to PNEs that the Company manages but has no ownership interest.

(b) Amount due from management and Board relate to personal expenses, distributions and compensation not authorized by an employment agreement or otherwise, in addition to amounts owed to Board members and advances from certain members of the Company's management team.

During January 2019, Mr. Parson repaid his indebtedness to the Company by surrendering and cancelling 1,461,392 shares of common stock owned by him. The common shares were valued at $1.50 per share, approximately equal to the weighted average trading price of the Company's common shares during the month of December 2018.

During March 2019, Mr. Willer agreed to settle his indebtedness to the Company. Prior to the settlement, Mr. Willer was owed 1,000,000 common shares pursuant to a performance share agreement. As part of the settlement, Mr. Willer agreed to reduce the number of common shares owed to him pursuant to the performance share agreement by 250,000 common shares. The Company will account for this settlement at closing. The closing had not yet occurred as of December 31, 2019.

During 2019, two members of the Company's management team advanced the Company approximately $190.

(c) Compensation to family members of the Company's Founder and former Executive Chairman for business development services and patient advocate services rendered during the years ended December 31, 2019 and 2018 totaled $297 and $207, respectively.

(d) For 2019, Velocity Revenue Cycle, LLC billed the PNEs approximately $581 for billing and collection fees. There were no such billings during 2018.

LEGAL PROCEEDINGS

The Company is a party to a variety of agreements in the ordinary course of business under which it may be obligated to indemnify third parties with respect to certain matters. These obligations include, but are not limited to, contracts entered into with physicians where the Company agrees, under certain circumstances, to indemnify a third party, against losses arising from matters including but not limited to medical malpractice and product liability. The impact of any such future claims, if made, on future financial results is not subject to reasonable estimation because considerable uncertainty exists as to final outcome of these potential claims. The Company maintains general liability insurance policies in accordance with the standards and policy limits set forth by each hospital at which it renders services. The Company has not been a party to any legal proceedings since inception.

SUBSEQUENT EVENTS

COVID-19

In March 2020, there was a global outbreak of COVID-19 (Coronavirus) that has resulted in changes in global supply of certain products. The pandemic is having an unprecedented impact on the U.S. economy as federal, state, and local governments react to this public health crisis, which has created significant uncertainties. These uncertainties include, but are not limited to, the potential adverse effect of the pandemic on the economy, our healthcare partners, our employees and patients. As the pandemic continues to grow, consumer fear about becoming ill with the virus and recommendations and/or mandates from federal, state, and local authorities to avoid large gatherings of people or self-quarantine are continuing to increase, which has already affected, and may continue to affect, the number of procedures performed.

Although Assure has seen over a 70% decline in the number of procedures performed in March and April due to a downturn in elective procedures driven by the COVID-19 pandemic, the volume of cases performed and scheduled for May has increased. In addition, the Company anticipates that the majority of the procedures that were postponed in March and April will be rescheduled for another time in 2020.

Health and safety measures taken at Assure include:

- Cancellation of all non-essential travel.
- Indefinite work from home policy for all employees not engaged in on-site medical facility activities.
- Mandatory self-quarantine for anyone who has experienced any flu-like symptoms or has had contact with anyone believed to have been exposed to COVID-19.

The Company has taken the following actions to increase its cash position and preserve financial flexibility:

- The Company has implemented salary reductions, salary deferments and a selective employee furlough program, designed to reduce corporate spending by 20% compared to the third quarter of 2019.
- Assure has amended the promissory note with the Sellers of Neuro-Pro to postpone $700 of its March 31, 2020, payment to May 15, 2020 (Note 9).

U.S Government Loans

During April 2020, the Company received an unsecured loan under the United States Small Business Administration ("SBA") Paycheck Protection Program ("PPP") pursuant to the recently adopted Coronavirus Aid, Relief, and Economic Security Act (the "PPP Loan") in the amount of $1,211. The two-year, SBA-administered PPP loan has an interest rate of 1.0% per annum, with principal and interest payments due on the first day of each month, with payments commencing on December 1, 2020. All or a portion of the PPP Loan may be forgiven if the Company maintains its employment and compensation within certain parameters during the eight-week period following the loan origination date and the proceeds of the PPP Loan are spent on payroll costs, rent or lease agreements dated before February 15, 2020 and utility payments arising under service agreements dated before February 15, 2020.

The Company is currently evaluating other forms of government funding at this time.

2020 Private Placements

During the fourth quarter of 2019, the Company launched a non-brokered private placement of convertible debenture units ("CD Unit") for gross proceeds of up to $4,000, with an option to increase the offering by an additional $2,000 (the "Offering"). From January 2020 to April 2020, the Company closed on three separate tranches of the Offering for total proceeds of $1,655. The net proceeds from these tranches of the Offering is being utilized for working capital purposes. Each CD Unit was offered at a price of $1. Each CD Unit includes, among other things, 357 common share purchase warrants that allow the holder to purchase shares of the Company's common stock at a price of $1.90 per share for a period of three years and the right to convert the CD Unit into shares of the Company's common stock as a conversion price of $1.40 per share for a period of four years, The CD Units carry a 9% coupon rate. In conjunction with these Offerings, Finders' received $79 and 56,300 warrants to purchase shares of the Company's common stock at a price of $1.90 per share for three years.

At the end of April 2020, the Company launched a non-brokered private placement of convertible debenture units ("New CD Unit") for gross proceeds of up to $500, with an option to increase the offering by an additional $500 (the "New Offering"). The net proceeds of the New Offering will be used for working capital and to retire part of the $800 obligation due on May 15, 2020 to the Sellers of Neuro-Pro. Each New CD Unit will be offered at a price of $1. Each New CD Unit will include, among other things, 1,000 common share purchase warrants that will allow the holder to purchase shares of the Company's common stock at a price of $1.00 per share for a period of three years and the right to convert the CD Unit into shares of the Company's common stock as a conversion price of $0.67 for a period of four years, The CD Units will carry a 9% coupon rate. As of May 21, 2020, the Company closed the New Offering after receiving total proceeds of $830. In conjunction with the New Offering, Finders' received $48 and 34,486 warrants to purchase shares of the Company's common stock at a price of $0.67 per share for four years.