PROFOUND MEDICAL CORP. UPSIZES PREVIOUSLY ANNOUNCED BOUGHT DEAL FINANCING

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Mississauga, Canada – February 28, 2018 – Profound Medical Corp. (TSXV:PRN) ("Profound" or the "Company") is pleased to announce today that it has entered into a revised agreement with a syndicate of underwriters, led by Canaccord Genuity Corp. (the "Underwriters"), pursuant to which the Underwriters will purchase, on a bought deal basis pursuant to the filing of a short form prospectus, an aggregate of 30.0 million units (the "Units") of the Company at a price of $1.00 per Unit (the "Offering Price") for aggregate gross proceeds of $30.0 million (the "Offering").

Each Unit will consist of one common share (a "Common Share") and one-half of one common share purchase warrant (each full common share purchase warrant, a "Warrant") of the Company. Each Warrant will be exercisable to acquire one common share of the Company for a period of five years following the closing date of the Offering at an exercise price of $1.40 per common share, subject to adjustment in certain events.

If at any time on or after the date that is 18 months after the closing date, the closing price of the common shares on the TSX Venture Exchange is greater than $2.80 for a period of ninety (90) calendar days, the Company may, at its option, accelerate the expiry date of the Warrants, and in such case the Warrants will expire on the earlier of (i) the 20th day after the date on which such notice is given by the company; (ii) sixty (60) months from the closing date.

The Company has agreed to grant the Underwriters an over-allotment option to purchase up to an additional 4.5 million Units at the Offering Price, exercisable in whole or in part, at any time and from time to time on or prior to the date that is 30 days following the closing of the Offering. If this option is exercised in full, an additional $4.5 million in gross proceeds will be raised pursuant to the Offering and the aggregate gross proceeds of the Offering will be $34.5 million.

The Units will be offered by way of a short form prospectus to be filed in all provinces of Canada and on a private placement basis in the United States pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"). The Company intends to use the net proceeds from the Offering for working capital and general corporate purposes.

The Offering is expected to close on or about March 20, 2018 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the TSX Venture Exchange and the applicable securities regulatory authorities.

The securities being offered have not been, nor will they be, registered under the U.S. Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Profound Medical Corp.

The Profound Medical team is committed to creating the powerful combination of real-time MR-guidance as the imaging platform and ultrasound as the energy source for delivering non-invasive ablative tools to clinicians. These key technology pillars, linked with intelligent software and robotics, have the potential to fulfill unmet needs of patients and clinicians in many anatomies and disease states, including prostate cancer, uterine fibroids, and bone metastases. Our mission is to profoundly change the standard of care by creating a tomorrow where clinicians can confidently ablate tissue with precision; a tomorrow where patients have access to safe and effective treatment options, so they can quickly return to their daily lives.

Profound Medical is commercializing a novel technology, TULSA-PRO® , which combines real-time Magnetic Resonance Imaging with transurethral, robotically-driven therapeutic ultrasound and closed-loop thermal feedback control that is designed to provide precise ablation of the prostate while simultaneously protecting critical surrounding anatomy from potential side effects. TULSA-PRO® is CE marked and Profound Medical is currently conducting a pilot commercial launch of the technology in key European and other CE mark jurisdictions. The Company is also sponsoring a multicenter, prospective FDA-registered clinical trial, TACT, which, if successful, is expected to support its application to the FDA for clearance to market TULSA-PRO® in the United States.

Profound Medical is also commercializing Sonalleve®, an innovative therapeutic platform that combines real-time MR imaging and thermometry with thermal ultrasound to enable precise and incision-free ablation of diseased tissue. Sonalleve® is CE marked for the treatment of uterine fibroids and palliative pain treatment of bone metastases. The Company is also in the early stages of exploring additional potential treatment markets for Sonalleve®, such as non-invasive ablation of abdominal cancers and hyperthermia for cancer therapy, where the technology has been shown to have clinical application.

Forward Looking Statements

This release includes forward-looking statements regarding Profound and its business which may include, but is not limited to, statements with respect to the use of the proceeds, the size and the timing of the completion of the Offering; the expectations regarding the efficacy of Profound's technology in the treatment of prostate cancer, uterine fibroids and palliative pain treatment. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such statements are based on the current expectations of the management of Profound. The forward-looking events and circumstances discussed in this release, may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including, without limitation, uncertainties inherent to current capital markets, the ability to receive any required approvals or consents in connection with the Offering, the ability of Profound to satisfy the conditions of the Offering or otherwise close the Offering, and related risks and uncertainties, risks regarding the pharmaceutical industry, economic factors, the equity markets generally and risks associated with growth and competition. Although Profound has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Profound undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, other than as required by law.

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