

BIOSIGN TECHNOLOGIES INC.

FORM 7 MONTHLY PROGRESS REPORT July 2010

Name of CNSX Issuer	Biosign Technologies Inc. (the “Issuer”)
Trading Symbol	BIO
Number of Outstanding Listed Securities	76,291,090
Date	August 5, 2010

Report on Business

1. **General overview/discussion of the development of the Issuer’s business and operations over the previous month**

Financing – The Issuer issued 362,500 common shares of Biosign upon exercise of outstanding Warrants for total proceeds of \$159,125.

Listing Application –The issuer has made application to list its outstanding common shares on the TSX Venture Exchange.

Sales and Marketing – The Issuer has advanced its negotiations on several reseller, distributor, and master distributor agreements and continued to work with third party payers to establish reimbursement rates for UFIT. The issuer announced the signing of an exclusive Master Distribution Agreement with Swiss-based DynamiCARE AG to distribute the Biosign products in Switzerland, Germany, France, and Austria, with an option to expand distribution throughout Europe.

The Issuer announced signing of an exclusive Master Distribution Agreement with Dubai-based ALQAEM International (FZE) to distribute Biosign products in the United Arab Emirates, Oman, Qatar, Bahrain, Kuwait, Saudi Arabia, Egypt, Syria, Jordan and Iraq.

The issuer announced they have successfully concluded negotiations with DLF Solutions as announced in April 2010, resulting in an exclusive Master Distribution Agreement for the Canadian marketplace.

The Issuer announced that they will integrate Biosign’s UFIT-based system for monitoring Cardio-Hemodynamic Adverse Response to Medication (“CHARM”) with ADL Data Systems’ Electronic Medical Record (“EMR”) applications for delivery to skilled nursing homes and visiting nurse organizations.

Production – The Issuer is preparing for scaling its capabilities for manufacturing hardware and of its UFIT platform. The Issuer will be standardizing its platform on Dell and will be utilizing Dell Services.

2. General overview and discussion of the activities of management

During this period, The Issuer has experienced losses as anticipated. The revenue is not expected to offset the losses in this quarter as the Issuer keeps focusing on strategic sales and building a distribution channel.

Financing - The Issuer issued 362,500 common shares of Biosign upon exercise of outstanding Warrants for total proceeds of \$159,125. Exercises consisted of 37,500 shares at \$0.35 per shares, 265,000 shares at \$0.40 per share, 40,000 shares at \$0.50 per share, and 20,000 shares at \$1.00 per share.

Sales – The Issuer continued to develop and expand the Biosign Channel Partner Program “CPP”, focusing on Master Distributors for access to global markets. The Company entered into the following agreements during the month:

1. A Master Distribution Agreement with Swiss-based DynamiCARE AG to distribute the Biosign products in Switzerland, Germany, France, and Austria, with an option to expand distribution throughout Europe. Under the terms of the agreement, DynamiCARE will pay an initial fee of \$2.5 million, with a commitment to achieve sales in excess of \$100 million in 2011 to maintain exclusivity in their respective markets. The initial fee is payable upon UFIT[®] TEN-20 satisfying a market pilot by the end of October 2010 and translation of the product GUI into French and German. The pilot will create immediate marketing opportunities in selected markets while surveying key factors influencing distribution and deployment decisions, such as support for high-volume usage, multiple languages, and ‘test-drives’ by customers. McMaster University shall assist Biosign in conducting and monitoring the market pilot for the launch of UFIT[®] TEN-20 in Europe.
2. A Master Distribution Agreement with Dubai-based ALQAEM International (FZE) to distribute Biosign products in the United Arab Emirates, Oman, Qatar, Bahrain, Kuwait, Saudi Arabia, Egypt, Syria, Jordan and Iraq. Under the terms of the agreement, ALQAEM has paid an initial fee of US\$100,000 and will pay all the costs of acquiring local government approval to market Biosign products in each country. Assuming local approvals are granted by the end of 2010, ALQAEM has made a commitment to achieve sales in excess of US\$14 million in 2011.
3. A Strategic Partnership Agreement with ADL Data Systems Inc. to integrate Biosign’s UFIT-based system for monitoring Cardio-Hemodynamic Adverse Response to Medication (“CHARM”) with ADL’s robust suite of Electronic Medical Record (“EMR”) applications for delivery to skilled nursing homes and visiting nurse organizations. CHARM includes a telematic health information system for monitoring responses to prescribed drugs, diet or exercise. The system will leverage ADL’s EMR and the prescription regimen located in the ADL Clinical Information System to assess a patient’s response to treatment, schedule UFIT readings, and evaluate the need to adjust treatment accordingly. When a potential ADR is recognized, CHARM shall issue an alert to the ADL clinician dashboard to allow clinicians the opportunity for prompt intervention. ADL will record the event in the patient prescription profile to avoid reoccurrences of a similar event and allow for multiple care teams to have access to the patients response to medications.

4. Conclusion of the Master Distribution Agreement negotiations with DLF Solutions Inc. (DLF), for the Canadian marketplace. In April, 2010, Biosign and DLF announced their decision to enter into a Master Distribution Agreement. A consistent vision for market potential and impact on patient care lead to a very smooth and rapid transition to a final agreement. Terms of the exclusive Master Distribution Agreement, include, among other things, the following:
 - a. DLF will pay an initial \$100,000 and an additional \$400,000 according to regulatory and reimbursement milestones;
 - b. Minimum sales volume commitments over the term of the Agreement, including a five year growth plan achieving an expected \$60,000,000 in annual revenue;
 - c. An immediate transition of all existing resellers of Biosign products in Canada to DLF;

The Company received its first Purchase Order from DLF for 500 UFIT units for use in marketing programs.

The Issuer continues negotiations with various Distributors, Resellers and potential Strategic partnerships.

Marketing – In July the Issuer received a final report from Marwood Group Advisory LLC that assessed the market for the at-home blood pressure and non-invasive glucose monitor, specifically considering the impact of the Affordable Care Act on manufacturers of at-home blood pressure monitors and non-invasive glucose monitors. They provided a summary analysis of the reimbursement and regulatory risks for such a manufacturer. Additionally, they advised the issuer on strategy for gaining FDA approval / clearance and facilitated introductions to experts to assist in executing the FDA submission process, as well individuals to help develop the broader market entry strategy.

The Issuer continues to focus on addressing key problems in health care. First, on the need for certainty in diagnosis and treatment; this is driven by practical expectations and malpractice concerns. Second, on increasing the accuracy of documentation required for billing, efficiently adding value to clinical care. Third, on enabling real-life monitoring to avoid excessive testing and over-prescribing. It is generally agreed that solutions to these problems are needed to save lives, limbs, money, and time. The Issuer is positioning its UFIT service platform as a comprehensive solution to these problems, starting with the evaluation and management of the most common health risks (blood pressure, blood glucose, and medication).

3. **Details of any new products or services developed or offered**

All current products are described in the Annual Updated Listing Statement filed with CNSX in April 2010.

4. Details of any products or services that were discontinued

None

5. 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. Relationships with Related Persons of the Issuer

The Issuer entered into a technical collaboration with McMaster University to use Biosign technology to benchmark a framework for providing trusted health information services – a linchpin requirement for a meaningful use of information technology in health care.

This collaboration seeks to develop a standard certification program for devices generating digital health data, The intelligence of the UFIT® system, makes it suitable for inspiring and testing advanced methods for certifying software-intensive, automated health monitors.

Biosign will provide one million dollars in funds and in-kind contributions over five years. Biosign technology, products, and expertise will be used in several projects, involving teams from McMaster's Departments of Computing & Software, and Psychology, Neuroscience & Behaviour. Work items include technical analysis of regulatory requirements, software specifications, design of fault tolerance mechanisms, design of correct scientific analysis software, and assessments of product usability, safety, and effectiveness. Tools and methods developed under this collaboration will be used by Biosign to satisfy regulatory and market expectations while improving key business performance metrics, such as time-to-market and break-even point.

Currently, the certification of software-intensive systems relies on assessing the development process rather than the product. The direct observation of a product, however, provides stronger assurance than the credentials of its production method. The goal is to develop methods for direct product verification that will simplify the relation between vendors, regulators, and consumers.

The issuer has developed a unique quality assurance framework for the UFIT® system. It includes solutions for common monitoring problems, such as rapid evaluation of automated device and result auto-verification, and a virtual instrumentation manager that controls the execution of measurement applications and utilities for scheduling tests and communicating results. The software framework will be a Biosign offering, open for new products created for the UFIT® platform. Engineers at McMaster will standardize this framework to enable the online provision of trusted health information services by medical devices, such as UFIT® TEN-20.

McSCert will assist Biosign in conducting and monitoring clinical studies and market pilots. Starting with the launch of UFIT® TEN-20 [2], McMaster experts will investigate how using a single Biosign multi-core signal processor could improve the marketability of information in health care.

See also Section 2 – Sales

No Related Party transactions

- 6. 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**

None

- 7. Acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month; 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; details of the relationship**

None

- 8. Describe the acquisition of new customers or loss of customers**

See Sales

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

None

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

None

- 11. Report on applicable labor disputes and resolutions of those disputes**

None

- 12. Details of legal proceedings to which the Issuer became a party and the present status of the proceedings**

None

13. Details of indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness

None

14. Details of any securities issued and options or warrants granted.

The company issued 362,500 common shares of Biosign upon exercise of outstanding Warrants for total proceeds of \$159,125.00. Exercises consisted of 37,500 shares at \$0.35 per shares, 265,000 shares at \$0.40 per share, 40,000 shares at \$0.50 per share, and 20,000 shares at \$1.00 per share.

15. Details of any loans to or by Related Persons

None

16. Details of any changes in directors, officers or committee members

The Issuer appointed Former Senator Alfonse D'Amato to its Board of Directors.

Former Senator Alfonse D'Amato had a distinguished 18-year career in the U.S. Senate, served as chairman of the Senate Banking Committee, was a member of the Senate Appropriations Committee - specializing in defense and transportation issues - and served on the Senate Finance Committee. The former Senator is considered an expert in the legislative and political process. As such, Senator D'Amato keeps close relationships with Members of Congress, on both sides of the aisle, and is regularly called upon for his advice and counsel.

Senator D'Amato has served on several public company boards of directors. From 1999 to 2009 he was a member of the board of Computer Associates, where he served on both the audit and the compensation committees, and he is a former director of Cendant Corporation. He is a current board member for Signature Bank (NASDAQ:SBNY), and he is Chairman of the Board for the Poker Players Alliance, an industry group that supports a repeal of the restrictive US internet gambling laws.

17. Trends which are likely to impact the Issuer, including trends in the Issuer's market(s) or political/regulatory trends

FDA to change Device Approval Process

The United States Food and Drug Administration (FDA) has released two comprehensive assessments on the 510(k) premarket review process and the use of science in the regulatory decision making that Issuer's industry. The FDA has published a notice in the Federal Register requesting public comment on these reports aimed at fostering medical device innovation [1].

1USA Federal Register Docket No. FDA-2010-N-0348, "Center for Devices and Radiological Health 510(k) Working Group Preliminary Report and Recommendations, and Task Force on the Utilization of Science in Regulatory Decision Making Preliminary Report and Recommendations; Availability for Comment."

1. **Streamline the premarket pathway for lower risk novel devices:** the process for evaluation of Automatic Class III Designation (also known as the **de novo** classification process) serves as a regulatory pathway for novel devices that cannot be cleared through the 510(k) process because they lack a clear comparable (predicate) device, but whose risks do not warrant a premarket approval (PMA) level of review. Currently, the de novo classification process is often associated with lengthy timeframes and cumbersome data requirements, making it an impractical path to market for many device developers like the Issuer.
2. **Enhancing Regulatory Predictability** – The 510(k) Working Group recommends that FDA develop guidance to define a subset of class II devices called “class IIb” devices, for which clinical or manufacturing information would typically be necessary to support a substantial equivalence determination. The development of a “class IIb” guidance document would help clarify, up front, what information submitters should include in their 510(k)s, so that they can plan accordingly.
3. **Clarify the meaning of “substantial equivalence”** will improve the 510(k) review significantly. Insufficient clarity with respect to this key term has contributed to inconsistencies in FDA’s 510(k) decisions.
4. **New Science** – pertinent to the Issuer’s business, FDA took into consideration the extent to which real-world clinical data (e.g., data on device use and outcomes pooled from electronic record systems) could be used in support of future premarket submissions. In addition to defining “new science”, the Task Force determined how to circumscribe its work in relation to other ongoing initiatives.

British Medical Journal Article on the Invalidity of Current Validation Methods

The Lancet medical journal has published a critical perspective on the current methodology of validating health products, arguing that “the statistical gold standard is a fetter on knowledge, wellbeing, and output. It drags down health, raises costs, irritates scientists, and distorts the demand and supply of goods and services by sending incorrect price-quality signals and commodities to the market under the guise of validity and statistical significance. Meantime, good services and commodities are systematically blocked or barely seen through a glass half cracked. There are few scientists who would not rejoice at the breaking of our gold fetters.” The author has published a book on the inadequacy of the current approach to validation [2]. Regarding the kind of design currently held as “good clinical trial”, the author states: “RCTs fail to yield power, precision, and unbiased errors. Finally, statistical significance—the cornerstone of today’s gold standard— is not equal to estimation of magnitudes or minimum important difference. Statistical significance at any level does not prove medical, scientific, or commercial importance.”[3]

The Issuer trusts that the regulatory agencies will respond to such critiques. Recent developments, such as those mentioned above, suggest to the Issuer that the regulatory climate will soon change for the better, with positive impact on developers of innovative health products and services.

2 Ziliak ST, McCloskey DN. The cult of statistical significance: how the standard error costs us jobs, justice, and lives. Ann Arbor, MI: University of Michigan Press, 2008.

3 Ziliak ST, The Validus Medicus and a new gold standard, [http://dx.doi.org/10.1016/S0140-6736\(10\)61174-9](http://dx.doi.org/10.1016/S0140-6736(10)61174-9)

Forward-Looking Statements

This press release contains forward looking statements. Forward looking statements are not based on historical facts, but rather on current expectations, Company assumptions and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward looking statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Company assumptions and risk factors are listed from time to time in Biosign's reports, public disclosure documents including Management's Discussion and Analysis, Management Information Circular, and in other filings with stock exchanges and securities regulatory authorities in Canada.

You should not place undue importance on forward-looking statements and should not rely upon this information as of any other date. While Biosign may elect to, Biosign is under no obligation and does not undertake to update this information at any particular time. This press release was prepared by management from information available to the date of this Monthly Progress Report.

Certificate of Compliance

The undersigned hereby certifies that:

- 1) The undersigned is a 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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
- 4) All of the information in this Form 7 Monthly Progress Report is true.

Dated: August 5, 2010

Signed “Radu Leca”
 Director, President and CEO

Issuer Details	For Month End	Date of Report
Name of Issuer: Biosign Technologies Inc	July, 2010	August 5, 2010
Issuer Address: 175 Commerce Valley Drive West, Suite 230		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Thornhill, Ontario, L3T 7P6	905-886-8996	416-218-9800
Contact Name	Contact Position	Contact Telephone No.
Radu Leca	CEO	416-218-9800 ext 234
Contact Email Address	Web Site Address	
ceo@biosign.com	www.biosign.com	

