

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**SCHEDULE TO
(Rule 13e-4)**

*Tender Offer Statement Under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934*

HELIUS MEDICAL TECHNOLOGIES, INC.

(Name of Subject Company (Issuer) and Filing Person (Offeror))

Options to Purchase Class A Common Stock, No Par Value Per Share
(Title of Class of Securities)

42328V504

(CUSIP Number of Class of Securities)

**Philippe Deschamps
President and Chief Executive Officer
Helius Medical Technologies, Inc.
642 Newtown Yardley Road, Suite 100
Newtown, Pennsylvania, 18940
(215) 944-6100**

(Name, Address and Telephone Number of Person Authorized to Receive Notices and
Communications on Behalf of Filing Person)

Copies to:

**Jeffrey Libson
Darren K. DeStefano
Cooley LLP
11951 Freedom Drive
Reston, VA 20190
(703) 456-8000**

CALCULATION OF FILING FEE

Transaction Valuation*

\$18,863,815.64

Amount of Filing Fee**

\$2,348.55

* Estimated solely for purposes of calculating the amount of the filing fee. The calculation of the Transaction Valuation assumes that all stock options to purchase shares of the issuer's common stock that may be eligible for repricing in U.S. dollars in the offer will be effectively tendered pursuant to this offer. This calculation assumes stock options to purchase an aggregate of 2,741,146 shares of the issuer's common stock, having an aggregate value of \$18,863,815.64 as of July 9, 2018, calculated based on a Black-Scholes option pricing model, will be repriced pursuant to this offer.

**The amount of the filing fee, calculated in accordance with Rule 0-11(b) of the Securities Exchange Act of 1934, as amended, equals \$124.50 per \$1,000,000 of the aggregate amount of the Transaction Valuation (or 0.01245% of the aggregate Transaction Valuation). The Transaction Valuation set forth above was calculated for the sole purpose of determining the filing fee and should not be used for any other purpose.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

| | | | |
|---------------------------|----------------|---------------|----------------|
| Amount Previously Paid: | Not applicable | Filing Party: | Not applicable |
| Form or Registration No.: | Not applicable | Date Filed: | Not applicable |

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
 - Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
-

Item 1. Summary Term Sheet.

The information set forth under “*Summary Term Sheet-Overview*” and “*Summary Term Sheet-Questions and Answers*” in the Consent Solicitation Statement dated July 12, 2018 (the “**Solicitation Request**”), attached hereto as Exhibit (a)(1)(A), is incorporated herein by reference.

Item 2. Subject Company Information.

(a) *Name and Address.* The issuer is Helius Medical Technologies, Inc., a Wyoming corporation (the “**Company**”). The Company’s principal executive offices are located at 642 Newtown Yardley Road, Suite 100, Newtown, Pennsylvania, 18940 and the telephone number of its principal executive offices is (215) 944-6100.

(b) *Securities.* This Tender Offer Statement on Schedule TO relates to a solicitation by the Company to holders of options to purchase shares of Class A common stock of the Company issued pursuant to the Company’s 2014 Stock Option Plan and/or 2016 Omnibus Incentive Plan (each, an “**Option**”), subject to specified conditions, to consent to amend each Stock Option Agreement between the Company and such Option holders to denominate the exercise price for each Option in United States Dollars (USD) rather than Canadian Dollars (CAD) (the “**Proposed Amendment**”). This solicitation is in connection with the change in the Company’s functional currency from CAD to USD. All outstanding Options will be eligible to consent to the Proposed Amendment.

The information set forth in the Consent Solicitation Statement under “*Summary Term Sheet-Overview*,” “*Summary Term Sheet-Questions and Answers*,” Section I (“*Purpose of this Solicitation*”), Section II (“*The Proposed Amendment*”) and Section VI (“*Price Range of Our Common Stock*”) is incorporated herein by reference.

(c) *Trading Market and Price.* The information set forth in the Solicitation Request under Section VI (“*Price Range of Our Common Stock*”) is incorporated herein by reference.

Item 3. Identity and Background of Filing Person.

(a) *Name and Address.* The information set forth under Item 2(a) above is incorporated herein by reference. The Company is both the filing person and the subject company.

Item 4. Terms of the Transaction.

(a) *Material Terms.* The information set forth in the Solicitation Request under “*Summary Term Sheet-Overview*,” “*Summary Term Sheet-Questions and Answers*,” Section II (“*The Proposed Amendment*”), Section IV (“*Risk Factors*”) and Section V (“*Procedure to Consent or Not to Consent to the Proposed Amendment; Withdrawal*”) is incorporated herein by reference.

(b) *Purchases.* The information set forth in the Solicitation Request under Section VII (“*Interests of Directors and Executive Officers; Transactions Concerning Our Securities*”) is incorporated herein by reference.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.

(e) *Agreements Involving the Subject Company’s Securities.* The information set forth in the Solicitation Request under “*Summary Term Sheet-Overview*” is incorporated herein by reference. The documents incorporated herein by reference as Exhibit (d)(1) through Exhibit (d)(5) also contain information regarding the Company.

Item 6. Purposes of the Transaction and Plans or Proposals.

(a) *Purposes.* The information set forth in the Solicitation Request under Section I (“*Purpose of this Solicitation*”), Section II (“*The Proposed Amendment*”) and Section III (“*Reason for the Proposed Amendment*”) is incorporated herein by reference.

(b) *Use of Securities Acquired.* Not applicable.

(c) *Plans.* The information set forth in the Solicitation Request under Section I (“*Purpose of this Solicitation*”), Section II (“*The Proposed Amendment*”) and Section III (“*Reason for the Proposed Amendment*”) is incorporated herein by reference.

Item 7. Source and Amount of Funds or Other Consideration.

(a) *Source of Funds.* Not applicable. The Company is not offering any consideration in connection with the Solicitation Request.

(b) *Conditions.* Not applicable.

(d) *Borrowed Funds.* Not applicable.

Item 8. Interest in Securities of the Subject Company.

(a) *Securities Ownership.* The information set forth in the Solicitation Request under “*Summary Term Sheet-Overview*” and Section VII (“*Interests of Directors and Executive Officers; Transactions Concerning Our Securities*”) is incorporated herein by reference.

(b) *Securities Transactions.* The information set forth in the Solicitation Request under Section VII (“*Interests of Directors and Executive Officers; Transactions Concerning Our Securities*”) is incorporated herein by reference.

Item 9. Persons/Assets, Retained, Employed, Compensated or Used.

(a) *Solicitations or recommendations.* Not applicable.

Item 10. Financial Statements.

(a) *Financial Information.* The information set forth in the Solicitation Request under Section X (“*Additional Information*”) is incorporated herein by reference.

(b) *Pro Forma Information.* Not applicable.

Item 11. Additional Information.

(a) *Agreements, Regulatory Requirements and Legal Proceedings.*

(1) The information set forth in the Solicitation Request under “*Summary Term Sheet-Overview*” and Section VII (“*Interests of Directors and Executive Officers; Transactions Concerning Our Securities*”) is incorporated herein by reference. The documents incorporated herein by reference as Exhibit (d)(1) through Exhibit (d)(5) also contain information regarding the Company.

(2) The information set forth in the Solicitation Request under Section VIII (“*Legal Matters*”) is incorporated herein by reference.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

(b) *Other Material Information.* Not applicable.

Item 12. Exhibits.

| Exhibit Number | Description |
|-----------------------|---|
| (a)(1)(A) | Solicitation of Consent to Amend Stock Option Agreements, dated July 12, 2018 |
| (a)(1)(B) | Form of Consent Form (attached as Exhibit A to Exhibit (a)(1)(A)) |
| (a)(1)(C) | Form of Email to Option Holders |
| (b) | Not applicable |

- (d)(1) [2014 Stock Incentive Plan \(incorporated by reference to Exhibit 4.1 to the Form S-1 filed with the SEC on July 14, 2014\)](#)
- (d)(2) 2014 Stock Incentive Plan Form of Option Grant Agreement (incorporated by reference to Exhibit 10.23.1 to the Transition Report on Form 10-K filed with the SEC on April 3, 2017)
- (d)(3) [2016 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.25 to the Transition Report on Form 10-K filed with the SEC on April 3, 2017\)](#)
- (d)(4) [Amendment Number 1 to the 2016 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.25.1 to the Transition Report on Form 10-K filed with the SEC on April 3, 2017\)](#)
- (d)(5) 2016 Omnibus Incentive Plan Form of Option Grant Agreement
- (g) Not applicable
- (h) Not applicable

Item 13. Information Required by Schedule 13E-3.

Not applicable.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

HELIUS MEDICAL TECHNOLOGIES, INC.

By: /s/ Philippe Deschamps
Philippe Deschamps
President and Chief Executive Officer

Dated: July 12, 2018

CONSENT SOLICITATION STATEMENT

HELIUS MEDICAL TECHNOLOGIES, INC.

Solicitation of Consent to Amend Stock Option Agreements
Covering Options Issued Pursuant to the
Helius Medical Technologies, Inc. 2014 Stock Option Plan and
2016 Omnibus Incentive Plan

July 12, 2018

SUMMARY TERM SHEET – OVERVIEW

This solicitation and withdrawal rights will expire at 12:00 midnight, Eastern Time, on August 8, 2018, unless extended by us (the “Solicitation Termination Date”).

You are receiving this Consent Solicitation Statement (this “**Solicitation**”) because you hold the options to purchase shares of the Class A common stock (the “**common stock**”) of Helius Medical Technologies, Inc. (the “**Company**,” “**we**” or “**us**”) listed on EXHIBIT A (each, an “**Option**,” and collectively, the “**Options**”), which were issued by the Company pursuant to its 2014 Stock Option Plan and/or 2016 Omnibus Incentive Plan (each, a “**Plan**,” and together, the “**Plans**”).

In connection with the recent change in the Company’s functional currency from the Canadian Dollar (CAD) to the United States Dollar (USD), it is in the best interests of the Company to amend each Stock Option Agreement by and between the Company and each Option holder (each, a “**Stock Option Agreement**”) to denominate the exercise price for such Options in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada (the “**Proposed Amendment**”). The purpose of this Solicitation is to ask you to consent to the Proposed Amendment, in accordance with the terms of the applicable Plan.

All holders of outstanding, unexpired Options are eligible to participate in this Solicitation. As of July 11, 2018, there were 2,891,146 outstanding Options to purchase an aggregate 2,891,146 shares of our common stock.

The commencement date of this Solicitation is scheduled for July 12, 2018. We are making this Solicitation upon the terms and subject to the conditions described in this Solicitation and in the related Consent Form (the “**Consent Form**”) distributed with this Solicitation. You are not required to participate in this Solicitation.

See “Risk Factors” that appear in Section IV for a discussion of risks and uncertainties that you should consider before providing your consent with respect to your Options.

Shares of our common stock are quoted on the Nasdaq Capital Market (“**Nasdaq**”) under the symbol “HSDT” and the Toronto Stock Exchange (the “**TSX**”) under the symbol “HSM.” As of July 11, 2018, the last reported sales price of our common stock on Nasdaq was US\$9.35 per share. As of July 11, 2018, the last reported sales price of our common stock on the TSX was CAD\$12.40 per share. We recommend that you obtain current market quotations for our common stock before deciding whether to elect to participate in the Solicitation.

If you have any questions concerning this Solicitation, the Proposed Amendment or any other information contained in this Solicitation please contact Kofi Berantuo at 642 Newtown Yardley Road, Suite 100, Newtown, Pennsylvania, 18940, by telephone at (215) 944-6104 or by email at Kberantuo@heliusmedical.com.

IMPORTANT

If you wish to consent to the Proposed Amendment as requested in this Solicitation, you must properly complete and sign the accompanying Consent Form and deliver the properly completed and signed copy to us so that we receive them before 12:00 midnight, Eastern Time, on August 8, 2018, unless extended by us, by one of the following means:

- (i) Deliver it by hand to Kofi Berantuo at the Company’s address listed below (before 5:00 p.m., Eastern Time, on August 8, 2018) and obtain a written receipt;
- (ii) Scan a copy of your Consent Form and send the copy via email to Kberantuo@heliusmedical.com and use Outlook’s “Delivery Receipt” feature to obtain an email receipt of delivery; or
- (iii) Send it by registered mail or overnight courier (in either case, signature at delivery required) to:

Helius Medical Technologies, Inc.
642 Newtown Yardley Road
Suite 100
Newtown, Pennsylvania
18940
Attn: Kofi Berantuo
Phone: 215-944-6104

Consult Your Own Advisors

ALTHOUGH THE COMPANY HAS APPROVED THE PROPOSED AMENDMENT AND BELIEVES IT TO BE IN THE BEST INTERESTS OF THE COMPANY AND ITS SHAREHOLDERS, YOU MUST MAKE YOUR OWN DECISION WHETHER TO CONSENT TO THE PROPOSED AMENDMENT. WE RECOMMEND THAT YOU CONSULT WITH YOUR OWN ADVISORS TO DETERMINE THE CONSEQUENCES OF CONSENTING TO THE PROPOSED AMENDMENT.

Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of this transaction or passed upon the fairness or

merits of this transaction or the accuracy or adequacy of the information contained in this Solicitation. Any representation to the contrary is a criminal offense.

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER OR NOT YOU SHOULD CONSENT TO THE PROPOSED AMENDMENT. YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR IN DOCUMENTS TO WHICH WE HAVE REFERRED YOU. WE HAVE NOT AUTHORIZED ANYONE TO GIVE YOU ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THIS SOLICITATION OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DOCUMENT OR IN THE RELATED CONSENT FORM. IF ANYONE MAKES ANY RECOMMENDATION OR REPRESENTATION TO YOU OR GIVES YOU ANY INFORMATION, YOU SHOULD NOT RELY UPON THAT RECOMMENDATION, REPRESENTATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY US.

SUMMARY TERM SHEET – QUESTIONS AND ANSWERS

Q1. Why is the Company soliciting my consent to the Proposed Amendment?

Recently, the Company's management reconsidered the Company's functional currency, which is the currency of the primary economic market in which the Company operates, and determined the USD to be the functional currency for the Company's operations. The Company's management identified the Company's April 2018 public offering of its common stock, and the subsequent listing of its shares on Nasdaq, as the main events triggering the change in functional currency from CAD to USD.

In connection with the change in the Company's functional currency from CAD to USD, we believe it is in the best interests of the Company to amend each Stock Option Agreement to denominate the exercise price for such Options in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada. Such an amendment is necessary to allow for us to continue to account for such Options under the "equity classification method" under United States generally accepted accounting principles, or U.S. GAAP, which will greatly simplify our accounting for stock options in our publicly reported financial statements and allow us to avoid "liability classification" of the Options which could affect the Company's valuation, earnings and other disclosures and create additional administrative burdens for the Company's management. The purpose of this Solicitation is to ask you to consent to the Proposed Amendment, in accordance with the terms of the applicable Plan.

Q2. Who is eligible to participate in the Solicitation?

All holders of outstanding, unexpired Options are eligible to participate in this Solicitation.

Q3. Which securities the Proposed Amendment affect?

The Proposed Amendment will affect all Options issued under a Plan.

Q4. Is the Company offering to tender, repurchase or exchange my Options?

No. The Company only seeks each Option holder's consent to the Proposed Amendment with respect to his or her Options. If you consent to the Proposed Amendment, you will not be required to deliver your current Stock Option Agreements to the Company. The Company is not offering any consideration in connection with your consent to the Proposed Amendment.

Q5. Will the Proposed Amendment change the terms of my Options?

No. The Proposed Amendment will only amend each Stock Option Agreement to denominate the exercise price for such Options in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada.

Importantly, the Proposed Amendment will not affect any other terms of your Stock Option Agreements or your Options, including:

- **Number of Shares:** Each Option will continue to cover the same number of shares as it currently covers.
- **Vesting Schedule:** Each Option will continue to have the same vesting schedule as it currently has.
- **Termination Date:** Each Option will terminate on the same termination date as it currently does.
- **Status as ISOs or NSOs:** To the extent an Option currently qualifies as an “incentive stock option” (“**ISO**”) within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, as well as any applicable regulations and guidance, it will continue to qualify as an ISO after adoption of the Proposed Amendment.
- **Option Plan:** Each Option will otherwise remain subject to all of the terms and conditions of the Plan under which it was granted.

Q6. Must I consent to the Proposed Amendment?

No. Consenting to the Proposed Amendment is completely voluntary. If you do not consent to the Proposed Amendment, the Stock Option Agreements between the Company and you will not be amended in accordance with this Solicitation and your Options will remain outstanding in accordance with their current terms.

Q7. How should I decide whether or not to consent to the Proposed Amendment?

We are providing substantial information to assist you in making your own informed decision. Please read all of the information contained in the various sections of this Solicitation, including the “Risk Factors” that appear in Section IV.

Q8. Can I provide my consent with respect to a portion of my Options?

No. If you consent to the Proposed Amendment, your Stock Option Agreements will be amended to denominate the exercise price for each of your Options in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada.

Q9. Will I owe taxes if I consent to the Proposed Amendment?

Regardless of whether your Options are treated as ISOs or non-qualified stock options (“**NSOs**”), neither the consent to the Proposed Amendment nor the amendment of your Stock Option Agreements to denominate the exercise price for such Options in USD, rather than CAD, will be a taxable event for U.S. federal tax purposes. You will not recognize any income, gain or loss solely as a result of the Solicitation or accepting the Proposed Amendment. See Section IX (“Material U.S. Federal Income Tax Consequences of the Amendment”).

The rules governing the tax treatment of stock options are complex. You should consult with your personal financial, legal or tax advisor for information regarding your specific circumstances including any tax consequences other than U.S. federal income taxes.

Q10. Will I owe taxes if I do not consent to the Proposed Amendment?

In addition, regardless of whether your Options are treated as ISOs or NSOs, the rejection of the Solicitation and the Proposed Amendment will also not be a taxable event for U.S. federal tax purposes. You will not recognize any income, gain or loss solely as a result of the Solicitation or rejecting the Proposed Amendment.

Q11. How long do I have to decide whether to participate in the Solicitation?

This Solicitation and your consent and withdrawal rights will expire at 12:00 midnight, Eastern Time, on the Solicitation Termination Date, unless we extend it. Although we do not currently intend to do so, we may, in our sole discretion, extend the expiration date of this Solicitation at any time. If we extend this Solicitation, we will publicly announce the extension and the new expiration date no later than 9:00 a.m., Eastern Time, on the next business day after the last previously scheduled or announced expiration date. A business day means any day other than a Saturday, Sunday or U.S. federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, Eastern Time. See Section V (“Procedure to Consent to or Not Consent to the Proposed Amendment”) for more information.

Q12. How do I participate in the Solicitation?

If you wish to consent to the Proposed Amendment as requested in this Solicitation, you must properly complete and sign the accompanying Consent Form and deliver the properly completed and signed copy to us so that we receive them before 12:00 midnight, Eastern Time, on the Solicitation Termination Date, unless extended by us, by one of the following means:

- (i) Deliver it by hand to Kofi Berantuo at the Company’s address listed below (before 5:00 p.m., Eastern Time, on August 8, 2018) and obtain a written receipt;
- (ii) Scan a copy of your Consent Form and send the copy via email to Kberantuo@heliusmedical.com and use Outlook’s “Delivery Receipt” feature to obtain an email receipt of delivery; or
- (iii) Send it by registered mail or overnight courier (in either case, signature at delivery required) to:

Helius Medical Technologies, Inc.
642 Newtown Yardley Road
Suite 100
Newtown, Pennsylvania
18940

The method of delivery is at your own option and risk. You are responsible for making sure that each Consent Form is delivered to us. You must allow for delivery time based on the method of delivery that you choose to ensure that we receive your Consent Form on time.

See Section V (“Procedure to Consent to or Not Consent to the Proposed Amendment”) for more information.

Q13. When and how can I revoke or change my election on a previously submitted Consent Form?

You may revoke or change your election on a previously submitted Consent Form at any time prior to 12:00 midnight, Eastern Time, on the Solicitation Termination Date by submitting a new Consent Form in the manner described in Question 12 above.

You may change your mind as many times as you wish, but you will be bound by the last properly submitted Consent Form we receive prior to 12:00 midnight, Eastern Time, on the Solicitation Termination Date.

See Section V (“Procedure to Consent to or Not Consent to the Proposed Amendment”) for more information.

Q14. How will I know if my consent to the Proposed Amendment is effective?

After the Solicitation Termination Date, the Company will send you an amended Stock Option Agreement evidencing the terms of each Option, as modified by the Proposed Amendment.

Q15. What if I do not return a Consent Form by 12:00 midnight, Eastern Time, on the Solicitation Termination Date?

If you do not return an executed Consent Form, you will be deemed to have rejected the Proposed Amendment. Additionally, if your Consent Form is incomplete, you will be deemed to have rejected the Proposed Amendment.

Q16. What if I have any questions regarding this Solicitation, or if I need additional copies of this Solicitation or any documents attached hereto or referred to herein?

If you have any questions concerning this Solicitation, the Proposed Amendment or any other information contained in this Solicitation, or if you need additional copies of this Solicitation or any documents attached hereto or referred to herein, please contact Kofi Berantuo at 642 Newtown Yardley Road, Suite 100, Newtown, Pennsylvania, 18940, by telephone at (215) 944-6104 or by email at Kberantuo@heliusmedical.com.

I.

THE SOLICITATION

The remainder of this Solicitation sets forth important information concerning the Proposed Amendment, including the reasons for the Proposed Amendment, certain risks associated with the Proposed Amendment, and how to provide your consent to the Proposed Amendment. You should read the remainder of this Solicitation in its entirety. The Company also encourages you to consult with your own advisors to determine the personal consequences to you of consenting to the Proposed Amendment.

I. Purpose of this Solicitation

Recently, the Company's management reconsidered the Company's functional currency, which is the currency of the primary economic market in which the Company operates, and determined the USD to be the functional currency for the Company's operations. The Company's management identified the Company's April 2018 public offering of its common stock, and the subsequent listing of its shares on Nasdaq, as the main events triggering the change in functional currency from CAD to USD.

In connection with the change in the Company's functional currency from CAD to USD, we believe it is in the best interests of the Company to amend each Stock Option Agreement to denominate the exercise price for such Options in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada. Such an amendment is necessary to allow for us to continue to account for such Options under the "equity classification method" under United States generally accepted accounting principles, or U.S. GAAP, which will greatly simplify our accounting for stock options in our publicly reported financial statements and allow us to avoid "liability classification" of the Options which could affect the Company's valuation, earnings and other disclosures and create additional administrative burdens for the Company's management. The purpose of this Solicitation is to ask you to consent to the Proposed Amendment, in accordance with the terms of the applicable Plan.

II. The Proposed Amendment

The Company is proposing to amend each Stock Option Agreement to denominate the exercise price for such Options in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada. Importantly, the Proposed Amendment will not affect any other terms of each Stock Option Agreement or the Options, including:

- **Number of Shares:** Each Option will continue to cover the same number of shares as it currently covers.

- **Vesting Schedule:** Each Option will continue to have the same vesting schedule as it currently has.
- **Termination Date:** Each Option will terminate on the same termination date as it currently does.
- **Status as ISOs or NSOs:** To the extent an Option currently qualifies as an ISO within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, as well as any applicable regulations and guidance, it will continue to qualify as an ISO after adoption of the Proposed Amendment.
- **Option Plan:** Each Option will otherwise remain subject to all of the terms and conditions of the Plan under which it was granted.

III. Reason for the Proposed Amendment

The primary reason for the Proposed Amendment is to allow the Company to continue to receive equity classification treatment for stock-based compensation expense following the Company's change in functional currency from CAD to USD. Denominating the exercise price of the Options in USD also will allow the Company to present a simplified capital structure, which the Company's management believes will be attractive to United States-based investors. Finally, we believe that denominating the exercise price of Options in USD will be more familiar to the Company's employees and other service providers, the vast majority of which are resident in the United States, and will not subject these holders to risks associated with future fluctuations in the CAD/USD exchange rate.

Under U.S. GAAP, to receive equity classification treatment for stock-based compensation expense, the exercise price of the Options must be denominated in the same currency as the currency where the Company's shares predominately trade.

The exercise price of the Options currently is denominated in CAD. However, since listing the Company's shares on Nasdaq in April 2018, through July 10, 2018 approximately 82% of the Company's trading volume has occurred on that exchange – and the Company's management expects that this percentage will increase as the Company continues to focus primarily on the United States capital markets.

Therefore, to align the currency denomination of the exercise price of the Options with the currency of the Company's predominant securities exchange, the Company desires to amend each Stock Option Agreement to denominate the exercise price for such Options in USD, rather than CAD.

IV. Risks Factors

The following risk factors are not intended to be exhaustive and only highlight certain risks relating

to the Proposed Amendment. The Company encourages you to consult with your own advisors to determine the personal consequences to you of consenting to the Proposed Amendment.

Currencies are subject to fluctuating exchange rates.

Currencies are subject to fluctuating exchange rates. Fluctuating exchange rates can increase or decrease the returns on your Options. For example, if the value of the Canadian dollar increases against the United States dollar, your total return may decrease if, after the Proposed Amendment takes effect, you exercise your Option, sell the underlying shares and subsequently convert your return from USD to CAD.

Failure to affect the Proposed Amendment could cause the Company to account for stock-based compensation as a liability and negatively impact the Company's valuation, earnings and other disclosures.

If the Company fails to amend the currency denomination of the exercise price of the Options, following the change in the Company's functional currency from CAD to USD, the Company may be required to account for stock-based compensation, including the Options, as a liability, which could affect the Company's valuation, earnings and other disclosures. Liability classification treatment for stock-based compensation also may create additional on-going administrative burdens for the Company's management.

You should carefully review the risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2017 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 and also the other information provided in this Solicitation and the other materials that we have filed with the SEC before making a decision as to whether or not to consent to the Proposed Amendment. You may access these filings electronically at the SEC's Internet site at <http://www.sec.gov>. In addition, we will provide without charge to you, upon your written or oral request, a copy of any or all of the documents to which we have referred you. See Section X ("Additional Information") for more information regarding reports we file with the SEC and how to obtain copies of or otherwise review these reports.

V. Procedure to Consent to or Not Consent to the Proposed Amendment; Withdrawal of Consent

The Company is requesting that you consent to the Proposed Amendment before 12:00 midnight, Eastern Time, on the Solicitation Termination Date, which is at least 20 business days from the commencement of this Solicitation. The Company may, however, in its sole discretion, extend this deadline. If the Company extends the deadline, it will notify you by email at your Company email address (or, in you are not an employee, the email address indicated on EXHIBIT A) of the extended date, and all references herein to the Solicitation Termination Date shall thereafter mean such extended date.

If you are willing to consent to the Proposed Amendment, we need to receive your Consent Form **before 12:00 midnight, Eastern Time, on the Solicitation Termination Date.**

No Consent Forms will be accepted after 11:59 p.m., Eastern Time, on the Solicitation Termination Date.

If you have properly submitted a Consent Form prior to 12:00 midnight, Eastern Time, on the Solicitation Termination Date, you may revoke or change your election on a previously submitted Consent Form at any time prior to 12:00 midnight, Eastern Time, on the Solicitation Termination Date by submitting a new Consent Form in the manner described below. Once you have revoked your consent, you may re-consent only by again following the procedures described below for validly providing your consent to the Proposed Amendment.

If you have properly submitted a Consent Form in the manner described in this section, and you have not revoked it, **your consent will be effective as of 12:00 midnight, Eastern Time, on the Solicitation Termination Date.**

Our acceptance of a Consent Form in which you have provided your consent to the Proposed Amendment and which has been submitted in the manner described below before 12:00 midnight, Eastern Time, on the Solicitation Termination Date will constitute a binding agreement between the Company and you upon the terms and subject to the conditions of this Solicitation. If you consent to the Proposed Amendment, after the Solicitation Termination Date the Company will send you a Stock Option Agreement evidencing the terms of each Option, as modified by the Proposed Amendment.

Proper Submission of Consent Form. To consent to the Proposed Amendment, or to change a prior election on a previously submitted Consent Form, you will need to follow these procedures:

1. Complete and sign the Consent Form attached as EXHIBIT A and return it as soon as possible to the Company, attention of Kofi Berantuo. The Consent Form must **only** be returned by one of the following means:
 - (i) Deliver it by hand to Kofi Berantuo at the Company's address listed below (before 5:00 p.m., Eastern Time, on August 8, 2018) and obtain a written receipt;
 - (ii) Scan a copy of your Consent Form and send the copy via email to Kberantuo@heliusmedical.com and use Outlook's "Delivery Receipt" feature to obtain an email receipt of delivery; or
 - (iii) Send it by registered mail or overnight courier (in either case, signature at delivery required) to:

Helius Medical Technologies, Inc.
642 Newtown Yardley Road
Suite 100
Newtown, Pennsylvania
18940

The method of delivery is at your own option and risk. You are responsible for making sure that each Consent Form is delivered to us. You must allow for delivery time based on the method of delivery that you choose to ensure that we receive your Consent Form on time.

If you decide **not** to consent to the Proposed Amendment, please also so indicate on the Consent Form and sign and return it to Kofi Berantuo by the Solicitation Termination Date. If you do not consent to the Proposed Amendment, your Options will not be amended in accordance with this Solicitation and will remain outstanding in accordance with their current terms.

If you do not return an executed Consent Form, you will be deemed to have rejected the Proposed Amendment. Additionally, if your Consent Form is incomplete, you will be deemed to have rejected the Proposed Amendment.

Consult Your Own Advisors

The Company encourages you to consult with your own advisors to determine the personal consequences to you of consenting to the Proposed Amendment.

ALTHOUGH THE COMPANY HAS APPROVED THE PROPOSED AMENDMENT AND BELIEVES IT TO BE IN THE BEST INTERESTS OF THE COMPANY AND ITS SHAREHOLDERS, YOU MUST MAKE YOUR OWN DECISION WHETHER TO CONSENT TO THE PROPOSED AMENDMENT. WE RECOMMEND THAT YOU CONSULT WITH YOUR OWN ADVISORS TO DETERMINE THE CONSEQUENCES OF CONSENTING TO THE PROPOSED AMENDMENT.

VI. Price Range of Our Common Stock

Our shares of common stock are listed on Nasdaq and the TSX. Our shares of common stock began trading on the Canadian Securities Exchange on June 23, 2014, under the ticker symbol "HSM," and subsequently moved to the TSX on April 18, 2016. On April 11, 2018, our common stock began trading on Nasdaq under the ticker symbol "HSDT" after having been traded on the OTCQB under the ticker symbol "HSDT" since February 10, 2015. Our financial information is presented in USD.

Effective after the close of business on January 22, 2018, we completed a 1-for-5 reverse stock split of our common stock. As of July 10, 2018, there were 23,771,501 shares of our common stock outstanding.

The following table sets forth, for the periods indicated, the high and low prices relating to our common stock for the periods indicated, as provided by the CSE, the TSX, the OTCQB and Nasdaq, as applicable. Our common stock was delisted from the CSE concurrently with the TSX listing, and delisted from the OTCQB concurrently with the Nasdaq listing. These quotations

reflect inter-dealer prices without retail mark-up, mark-down, or commissions, and may not reflect actual transactions.

| Period | OTC / Nasdaq (US\$) | | CSE / TSX (C |
|---------------------------------------|----------------------------|------------|---------------------|
| | High | Low | High |
| Year Ended December 31, 2016 | | | |
| First Quarter | \$ 4.30 | \$ 3.40 | CAD\$ 6.20 |
| Second Quarter | \$ 7.50 | \$ 3.50 | CAD\$ 9.75 |
| Third Quarter | \$ 5.67 | \$ 4.28 | CAD\$ 7.50 |
| Fourth Quarter | \$ 9.05 | \$ 5.18 | CAD\$ 11.75 |
| Year Ended December 31, 2017 | | | |
| First Quarter | \$ 9.55 | \$ 7.10 | CAD\$ 12.95 |
| Second Quarter | \$ 8.00 | \$ 6.45 | CAD\$ 11.00 |
| Third Quarter | \$ 15.60 | \$ 7.65 | CAD\$ 19.05 |
| Fourth Quarter | \$ 20.70 | \$ 7.35 | CAD\$ 25.45 |
| Year Ending December 31, 2018 | | | |
| First Quarter | \$ 13.00 | \$ 8.01 | CAD\$ 16.05 |
| Second Quarter | \$ 13.20 | \$ 7.15 | CAD\$ 17.20 |
| Third Quarter (through July 11, 2018) | \$ 10.07 | \$ 9.05 | CAD\$ 13.50 |

As of July 11, 2018, the last reported sales price of our common stock on the TSX was CAD\$12.40 per share. As of July 11, 2018, the last reported sales price of our common stock on Nasdaq was US\$9.35 per share.

The exchange rate in effect on July 11, 2018 as reported by Bank of Canada was US\$1.00 = CAD\$1.3151

Holders

As of July 11, 2018, there were approximately 201 holders of record of our common stock. The number of holders of record is based on the actual number of holders registered on the books of our transfer agent and does not reflect holders of shares in “street name” or persons, partnerships, associations, corporations or other entities identified in security position listings maintained by depository trust companies.

VII. Interests of Directors and Executive Officers; Transactions Concerning Our Securities

As of July 11, 2018, our executive officers and directors (four executive officers and six non-employee directors) as a group held outstanding Options to purchase an aggregate of 2,329,500 shares of our common stock with a weighted average exercise price of CAD\$6.30. Our executive officers and directors are eligible to participate in this Solicitation. We anticipate that each of our

executive officers and directors will consent to the Proposed Amendment. The Proposed Amendment will only amend each Stock Option Agreement between us and each of our executive officers and directors to denominate the exercise price for such Options in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada. Importantly, the Proposed Amendment will not affect any other terms of the Stock Option Agreements by and between us and each of our executive officers and directors or the Options held by our executive officers and directors.

On May 15, 2018, pursuant to our 2016 Omnibus Incentive Plan we granted Options to purchase an aggregate of 337,500 shares of our common stock, as set forth in the table below:

| <u>Optionee</u> | <u>Number of Options</u> | <u>Exercise Price (CAD\$)</u> | <u>Vesting Schedule</u> |
|-------------------------------|--------------------------|-------------------------------|-------------------------|
| Executive Officers | | | |
| Philippe Deschamps | 95,000 | \$14.15 | (1) |
| Joyce LaViscount | 80,000 | \$14.15 | (1) |
| Jonathan Sackier | 80,000 | \$14.15 | (1) |
| Non-employee Directors | | | |
| Dane C. Andreeff | 15,000 | \$14.15 | (2) |
| Thomas E. Griffin | 15,000 | \$14.15 | (2) |
| Huaizheng Peng | 12,500 | \$14.15 | (2) |
| Edward M. Straw | 12,500 | \$14.15 | (2) |
| Mitchell E. Tyler | 12,500 | \$14.15 | (2) |
| Blane Walter | 15,000 | \$14.15 | (2) |

(1) These Options vest in 48 equal monthly installments, subject to the executive officers' continuous service as of each such vesting date.

(2) These Options vest in 12 equal monthly installments, subject to the directors' continuous service as of each such vesting date.

On July 9, 2018, pursuant to our 2018 Omnibus Incentive Plan we granted an Option to purchase 150,000 shares of our common stock to newly hired Chief Commercialization Officer, Jennifer Laux. This Option has an exercise price of USD\$9.69 and vests in 37 installments, with the first 25% vesting on the first anniversary of Ms. Laux's first day of work (July 9, 2019), and the remainder vesting in equal monthly installments on the first day of the month for the next 36 months. Because the exercise price of Ms. Laux's option is set forth in \$USD, Ms. Laux is not participating in this Solicitation.

VIII. Legal Matters

We are not aware of any material pending or threatened legal actions or proceedings relating to this Solicitation. We are not aware of any margin requirements or anti-trust laws applicable to this Solicitation. We are not aware of any license or regulatory permit that appears to be material to our business that might be adversely affected by the Proposed Amendment, or of any approval or other action by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, that would be required to effect the Proposed Amendment as contemplated herein. Should any such approval or other action be required, we presently contemplate that we

will use commercially reasonable efforts to seek such approval or take such other action. We cannot assure you that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to our business. Our obligation under this Solicitation to effect the Proposed Amendment would be subject to obtaining any such governmental approval.

IX. Material U.S. Federal Income Tax Consequences of the Amendment

The following is a summary of the anticipated material U.S. federal income tax consequences of the Solicitation and the Proposed Amendment. This tax summary does not discuss all of the tax consequences that may be relevant to you in light of your particular circumstances, nor is it intended to apply in all respects to all categories of optionholders. The tax consequences for employees who are subject to the tax laws of a country other than the U.S. or of more than one country may differ from the U.S. federal income tax consequences summarized above. ***You should consult with your tax advisor to determine the personal tax consequences to you of accepting or rejecting the Solicitation and the Proposed Amendment.***

Tax Effects of Accepting the Offer.

Regardless of whether your Options are treated as ISOs or NSOs, neither the consent to the Proposed Amendment nor the amendment of your Stock Option Agreements to denominate the exercise price for such Options in USD, rather than CAD, will be a taxable event for U.S. federal tax purposes. You will not recognize any income, gain or loss solely as a result of the Solicitation or accepting the Proposed Amendment.

Tax Effects of Rejecting the Offer.

In addition, regardless of whether your Options are treated as ISOs or NSOs, the rejection of the Solicitation and the Proposed Amendment will also not be a taxable event for U.S. federal tax purposes. You will not recognize any income, gain or loss solely as a result of the Solicitation or rejecting the Proposed Amendment.

Taxation of Incentive Stock Options.

Generally, an optionee will not recognize any income, gain or loss on the granting of an ISO. Upon the exercise of an ISO, an optionee is typically not subject to U.S. federal income tax except for the possible imposition of alternative minimum tax. Rather, the optionee is taxed for U.S. federal income tax purposes at the time he or she disposes of the stock subject to the option.

If the date upon which the optionee disposes of the stock subject to an ISO is more than two years from the date on which the ISO was granted (the “**2-Year Holding Period**”) and more than one year from the date on which the optionee exercised the option (the “**1-Year Holding Period**”), then the optionee’s entire gain or loss is characterized as long-term capital gain or loss, rather than as ordinary income. However, if the optionee fails to satisfy both the 2-Year Holding Period and the 1-Year Holding Period, then a portion of the optionee’s profit from the sale of the stock subject

to the ISO will be characterized as ordinary income and a portion may be short-term capital gain if the 1-year Holding Period has not been satisfied. The portion of the profit that is characterized as ordinary income will be equal to the lesser of (a) the excess of the fair market value of the stock on the date of exercise over the exercise price of the option and (b) the excess of the sales price over the exercise price of the option. This deferral of the recognition of tax until the time of sale of the stock, as well as the possible treatment of the “spread” as long-term capital gain, are the principal advantages of your options being treated as ISOs. Neither your acceptance nor your rejection of the Solicitation or Proposed Amendment should change this tax treatment if your Options are treated as ISOs.

Taxation of Nonstatutory Stock Options.

Generally, an optionee will not recognize any income, gain or loss on the granting of an NSO. Upon the exercise of an NSO, an optionee will recognize ordinary income on each purchased share equal to the difference between the fair market value of the stock on the date of exercise and the exercise price of the NSO.

If and when an optionee sells the stock purchased upon the exercise of an NSO, any additional increase or decrease in the fair market value on the date of sale, as compared to the fair market value on the date of exercise, will be treated as a capital gain or loss. If the optionee has held those shares for more than one year from the date of exercise, such gain or loss will be a long-term capital gain or loss. If the optionee has held those shares for not more than one year from the date of exercise, such gain or loss will be a short-term capital gain or loss. Neither your acceptance nor your rejection of the Solicitation or Proposed Amendment should change this tax treatment if your Options are treated as NSOs.

The rules governing the tax treatment of stock options are complex. You should consult with your personal financial, legal or tax advisor for information regarding your specific circumstances including any tax consequences other than U.S. federal income taxes.

X. Additional Information

With respect to this Solicitation, we have filed with the SEC a Tender Offer Statement on Schedule TO, as may be amended, of which this Solicitation is a part. This Solicitation does not contain all of the information contained in the Schedule TO and the exhibits to the Schedule TO. Before making a decision on whether or not to consent to the Proposed Amendment, we highly recommend that you review the Schedule TO, including its exhibits, and the following materials that we have filed with (other than information furnished under Item 2.02 or Item 7.01 of Form 8-K) the SEC:

- our annual report on Form 10-K for the fiscal year ended December 31, 2017 filed with the SEC on March 12, 2018, as amended by Amendment No. 1 filed with the SEC on April 30, 2018;
- our quarterly report on Form 10-Q for the quarter ended March 31, 2018 filed with the SEC on May 8, 2018;

- our current reports on Form 8-K filed with the SEC on January 4, 2018, January 5, 2018, January 23, 2018, April 12, 2018, May 15, 2018 and July 5, 2018; and
- the description of our common stock, which is registered under Section 12 of the Securities Exchange Act of 1934, as amended, in our registration Statement on Form 8-A, filed with the SEC on April 4, 2018, including any amendments filed for the purpose of updating such description.

We will furnish without charge to you, on written or oral request, a copy of any or all of the documents incorporated by reference in this Solicitation or the Schedule TO, including exhibits to these documents. You should direct any requests for documents to Helius Medical Technologies, Inc., 642 Newtown Yardley Road, Suite 100, Newtown, Pennsylvania 18940; telephone: (215) 944-6100.

We also maintain a corporate website at www.heliusmedical.com. We make available free of charge through our Internet website our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and any amendments to these reports, as soon as it is reasonably practicable after we electronically file such material with, or furnish such material to the SEC. We are not including the information on our website as a part of, nor incorporating it by reference into this Solicitation or the Schedule TO. You may read and/or copy any materials we file at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for information on the Public Reference Room. Additionally, the SEC maintains a website that contains annual, quarterly, and current reports, proxy statements, and other information that issuers (including us) file electronically with the SEC. The SEC's website address is <http://www.sec.gov>.

XI. Miscellaneous

We are not aware of any jurisdiction where the making of this Solicitation is not in compliance with applicable law. If we become aware of any jurisdiction where the making of this Solicitation is not in compliance with applicable law, we will make a good faith effort to comply with such law. If, after such good faith effort, we cannot comply with such law, this Solicitation will not be made to Option holders residing in such jurisdiction.

This Solicitation and our SEC reports referred to above include forward-looking statements. Words such as "believes," "will," "should," "could," "expects," "anticipates," "estimates," "plans," "objectives," and other similar statements of expectation identify forward-looking statements. These forward-looking statements involve risks and uncertainties, including those described in our annual report on Form 10-K for the fiscal year ended December 31, 2017 and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, that could cause actual results to differ materially from those expressed in the forward-looking statement. Given these risks and uncertainties, you should not place undue reliance on these forward-looking statements. While we believe our plans, intentions and expectations reflected in these forward-looking statements are reasonable, these plans, intentions or expectations may not be achieved.

WE ENCOURAGE YOU TO REVIEW THE RISK FACTORS CONTAINED IN OUR ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017 AND IN OUR QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2018 BEFORE YOU DECIDE WHETHER TO PARTICIPATE IN THIS SOLICITATION.

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER OR NOT YOU SHOULD CONSENT TO THE PROPOSED AMENDMENT. YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR IN DOCUMENTS TO WHICH WE HAVE REFERRED YOU. WE HAVE NOT AUTHORIZED ANYONE TO GIVE YOU ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THIS SOLICITATION OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DOCUMENT OR IN THE RELATED CONSENT FORM. IF ANYONE MAKES ANY RECOMMENDATION OR REPRESENTATION TO YOU OR GIVES YOU ANY INFORMATION, YOU SHOULD NOT RELY UPON THAT RECOMMENDATION, REPRESENTATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY US.

Heliuss Medical Technologies, Inc.
July 12, 2018

EXHIBIT A

CONSENT FORM

I, _____, hereby (choose one):

- CONSENT to the Proposed Amendment with respect to my Options described in the table below.
- DO NOT CONSENT to the Proposed Amendment with respect to my Options described in the table below.

If you fail to check ONE of the boxes above, you will be deemed to have not consented to the Proposed Amendment.

Options*

| TYPE OF AWARD (ISO/NSO) | SHARES SUBJECT TO OPTION | GRANT DATE | APPLICABLE EXCHANGE RATE (CAD:USD) | CURRENT EXERCISE PRICE (CAD) | NEW EXERCISE PRICE (USD) |
|----------------------------|--------------------------------|------------|---------------------------------------|---------------------------------------|--------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |

* Note that, for each Option listed in the table below with a grant date on or prior to January 22, 2018 (the effective date of the 5-for-1 reverse stock split of our Class A Common Stock), the number of shares subject to the Option and the current exercise price of the Option have been appropriately adjusted to reflect the reverse stock split.

By my signature below, I acknowledge that I have received and carefully reviewed the Consent Solicitation Statement dated July 12, 2018 (the “**Solicitation**”) from the Company to those holding options to purchase Class A common stock of the Company under the Helius Medical Technologies, Inc. 2014 Stock Option Plan and 2016 Omnibus Incentive Plan.

The Solicitation describes certain amendments to the Stock Option Agreements. Capitalized terms not otherwise defined in this Consent Form shall have the meaning set forth in the Solicitation.

If I elect “CONSENT” above, I am consenting, pursuant to the terms of the Solicitation, to have the Stock Option Agreements between the Company and myself, and all of the Options listed in the table above, modified by the Proposed Amendment. Furthermore, I hereby agree that, unless I revoke my consent before 12:00 midnight, Eastern Time, on August 8, 2018, my consent will be irrevocable, and my Options listed in the table above will be modified by the Proposed Amendment effective at 12:00 p.m., Eastern Time, on August 8, 2018.

I further acknowledge and agree that neither the ability to participate in the Solicitation nor actual participation in the Solicitation shall be construed as a right to continued employment or consulting

services with the Company. I AGREE THAT THE COMPANY HAS MADE NO REPRESENTATIONS OR WARRANTIES TO ME REGARDING THIS SOLICITATION AND THAT MY PARTICIPATION IN THIS SOLICITATION IS AT MY OWN DISCRETION. I AGREE THAT THE COMPANY SHALL NOT BE LIABLE FOR ANY COSTS, TAXES, LOSS OR DAMAGE THAT I MAY INCUR THROUGH MY ELECTION TO PARTICIPATE IN THIS SOLICITATION.

(Signature)

(Printed Name)

(Email Address)

Date: _____, 2018

Receipt Acknowledged:

HELIUS MEDICAL TECHNOLOGIES, INC.

By:

Date and time:

EMAIL TO OPTION HOLDERS

To: Option Holders

Date: July 12, 2018

Subject: Helius Medical Technologies, Inc. Stock Option Solicitation

Dear Option Holder:

You are receiving this email because you hold options to purchase shares of our Class A common stock (each, an “**Option**”), which were issued pursuant to our 2014 Stock Option Plan and/or 2016 Omnibus Incentive Plan (each, a “**Plan**”).

In connection with the recent change in our functional currency from the Canadian Dollar (CAD) to the United States Dollar (USD), we believe it is in the best interests of Helius Medical Technologies, Inc. to amend each Stock Option Agreement by and between us and each Option holder (each, a “**Stock Option Agreement**”) to denominate the exercise price for such Option in USD, rather than CAD, based on the CAD to USD closing exchange rate on the date the Option was granted, as then-reported by the Bank of Canada (the “**Proposed Amendment**”). The purpose of this email and the accompanying Consent Solicitation Statement and Consent Form is to ask you to consent to the Proposed Amendment, in accordance with the terms of the applicable Plan.

Please carefully read the accompanying documents and the documents referenced therein.

If you wish to participate in the solicitation, the Election Form must be returned to us, in the manner described in the Consent Solicitation Statement, before **12:00 midnight, Eastern Time, on August 8, 2018**, unless extended by us.

If you have any questions concerning the solicitation, the Proposed Amendment or any other information contained in the accompanying documents, please contact me at 642 Newtown Yardley Road, Suite 100, Newtown, Pennsylvania, 18940, by telephone at (215) 944-6104 or by email at Kberantuo@heliusmedical.com.

Best regards,

Kofi Berantuo

HELIUS MEDICAL TECHNOLOGIES, INC.

STOCK OPTION GRANT NOTICE
(2016 OMNIBUS INCENTIVE PLAN)

Helius Medical Technologies, Inc. (the “**Company**”), pursuant to its 2016 Omnibus Incentive Plan (the “**Plan**”), hereby grants to Optionholder an option to purchase the number of shares of the Company’s Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this Stock Option Grant Notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this Stock Option Grant Notice and the Plan, the terms of the Plan will control.

| | |
|-------------------------------------|-------|
| Optionholder: | _____ |
| Date of Grant: | _____ |
| Vesting Commencement Date: | _____ |
| Number of Shares Subject to Option: | _____ |
| Exercise Price (Per Share): | _____ |
| Total Exercise Price: | _____ |
| Expiration Date: | _____ |

Type of Grant: Incentive Stock Option¹ Non-Qualified Stock Option

Exercise Schedule: Same as Vesting Schedule

Vesting Schedule: [_____, subject to Optionholder’s Termination not occurring before each such date.]

Payment: By one or a combination of the following items (described in the Option Agreement):

- By cash, check, bank draft or money order payable to the Company
- Pursuant to a Regulation T Program if the shares are publicly traded
- By delivery of already-owned shares if the shares are publicly traded
- If and only to the extent this option is a Non-Qualified Stock Option, and subject to the Company’s consent at the time of exercise, by a Net Settlement arrangement

¹ If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first *exercisable* for more than \$100,000 in value (measured by exercise price) in any calendar year. Any excess over \$100,000 is a Non-Qualified Stock Option.

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of, if applicable, (i) equity awards previously granted and delivered to Optionholder, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this option upon the terms and conditions set forth therein. By accepting this option, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

HELIUS MEDICAL TECHNOLOGIES, INC

OPTIONHOLDER:

By: Signature Date: Signature
Title: Date:
Date:

ATTACHMENTS: Option Agreement, 2016 Omnibus Incentive Plan and Notice of Exercise

ATTACHMENT I

HELIUS MEDICAL TECHNOLOGIES, INC.

OPTION AGREEMENT
(2016 OMNIBUS INCENTIVE PLAN)
(INCENTIVE STOCK OPTION OR NON-QUALIFIED STOCK OPTION)

Pursuant to your Stock Option Grant Notice (“**Grant Notice**”) and this Option Agreement, Helius Medical Technologies, Inc. (the “**Company**”) has granted you an option under its 2016 Omnibus Incentive Plan (the “**Plan**”) to purchase the number of shares of the Company’s Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the “**Date of Grant**”). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. **VESTING.** Subject to the provisions contained herein, your option will vest as provided in your Grant Notice. Vesting will cease upon your Termination.
2. **NUMBER OF SHARES AND EXERCISE PRICE.** The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice are subject to adjustment upon certain events in accordance with Section 4.2 of the Plan.
3. **EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES.** If you are an Eligible Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a “**Non-Exempt Employee**”), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of service with the Company or an Affiliate measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Change in Control in which your option is not assumed, continued or substituted, (iii) an Acquisition Event or (iv) your Termination on your “retirement” (as defined in the Company’s benefit plans).
4. **METHOD OF PAYMENT.** You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner **permitted by your Grant Notice**, which may include one or more of the following:
 - (a) Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a “broker-assisted exercise”, “same day sale”, or “sell to cover”.

(b) Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

(c) If this option is a Non-Qualified Stock Option, subject to the consent of the Company at the time of exercise, by a Net Settlement arrangement in accordance with Section 6.3(d) of the Plan. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the Net Settlement, (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

5. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

6. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations.

7. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 6.3(b) of the Plan, upon the earliest of the following:

(a) immediately upon your Termination for Cause;

(b) immediately upon your Termination for any reason to the extent the shares subject to your option have not vested on or prior to such Termination;

(c) three (3) months after your Termination for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 7(e) below); *provided, however*, that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above regarding "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after your Termination; *provided further*, if during any part of such three (3) month period, the sale of any Common Stock received upon exercise of your option would violate the Company's insider trading policy, then your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after your Termination during which the sale of the Common Stock received upon exercise of your option would not be in violation of the Company's insider trading policy. Notwithstanding the foregoing, if (i) you are a Non-Exempt Employee, (ii) your Termination of Employment occurs within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your Termination, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after your Termination, and (y) the Expiration Date;

- 7(e)) below;
- (d) twelve (12) months after your Termination due to your Disability (except as otherwise provided in Section 7(e)) below;
 - (e) twelve (12) months after your death if you die either before your Termination or within three (3) months after your Termination for any reason other than Cause;
 - (f) in certain circumstances upon the effective date of an Acquisition Event or a Change in Control as set forth in the Plan;
 - (g) the Expiration Date indicated in your Grant Notice; or
 - (h) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Non-Employee Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

8. EXERCISE.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the Date of Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

9. DETRIMENTAL ACTIVITY. Your option, the shares issued upon exercise of your option and any associated gain shall be subject to Section 6.3(c)(ii) of the Plan regarding the effects of engaging in Detrimental Activity.

10. TRANSFERABILITY. Except as otherwise provided in this Section 10, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Non-Qualified Stock Option as a result of such transfer.

(c) Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Non-Employee Director or Consultant for the Company or an Affiliate.

12. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Non-Qualified Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required

to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). Shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c)

You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

13. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, its Affiliates or any of their officers, directors or employees related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the “fair market value” per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option.

14. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

15. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control. In addition, your option (and any compensation paid or shares issued under your option) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

16. OTHER DOCUMENTS. You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company’s policy permitting certain individuals to sell shares only during certain “window” periods and the Company’s insider trading policy, in effect from time to time.

17. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company’s or any Affiliate’s employee benefit plans.

18. VOTING RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

19. SEVERABILITY. If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

20. MISCELLANEOUS.

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

* **

This Option Agreement will be deemed to be signed by you upon the signing by you of the Stock Option Grant Notice to which it is attached.

ATTACHMENT II

2016 OMNIBUS INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

HELIUS MEDICAL TECHNOLOGIES, INC.
642 Newtown Yardley Road Suite 100
Newtown, PA 18940

Date of Exercise: _____

This constitutes notice to Helius Medical Technologies, Inc. (the "**Company**") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "**Shares**") for the price set forth below.

Type of option (check one): Incentive Non-Qualified

Stock option dated: _____ _____

Number of Shares as
to which option is
exercised: _____ _____

Certificates to be
issued in name of: _____ _____

Total exercise price: \$ _____ \$ _____

Cash payment delivered
herewith: \$ _____ \$ _____

[Value of _____ Shares delivered
herewith²: \$ _____ \$ _____]

[Value of _____ Shares pursuant
to net settlement³: \$ _____ \$ _____]

[Regulation T Program (cashless
exercise⁴): \$ _____ \$ _____]

² Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

³ The option must be a Non-Qualified Stock Option, and the Company must have established net exercise procedures at the time of exercise, in order to utilize this payment method.

⁴ Shares must meet the public trading requirements set forth in the option.

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Helius Medical Technologies, Inc. 2016 Omnibus Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

In addition, by this exercise I hereby certify and agree that (i) I am in compliance with the terms and conditions of the Plan, (ii) I have not engaged in, and I do not intend to engage in, any Detrimental Activity (as defined in the Plan) and (iii) if I do engage in any Detrimental Activity within the one-year period following the earlier of the date I exercise this option or the date of my termination of employment or service with the Company, the Company shall be entitled to recover from me at any time within one year after such date, and I shall pay over to the Company, an amount equal to any gain realized (whether at the time of exercise or thereafter) as a result of the exercise.

Very truly yours,