
IDC CLOSSES FULLY SUBSCRIBED CONVERTIBLE DEBENTURE OFFERING

Calgary, Alberta – October 7, 2016 - Imaging Dynamics Company Ltd. ("IDC" or the "Company") (TSXV:IDL) is pleased to report that, subject to TSXV approval, the Company has closed on a non-brokered private placement financing of secured convertible debentures (the "Convertible Debentures") for gross proceeds of \$6,000,000. IDC intends to use the proceeds for geographic sales and product expansion both internally and were practical strategic acquisitions and investments, and working capital purposes.

The Convertible Debentures will mature two years from the date of issue, accrue interest at a rate of 6% per year, payable annually on each anniversary of the closing date, and are convertible into common shares of the Company at the holder's option at a price of \$0.125 per common share prior to maturity. The conversion price was amended from \$0.11 to \$0.125. The Convertible Debentures are subject to a four month and one day hold period.

"I am very pleased to report to our shareholders that our convertible debenture offering has been fully subscribed" said Mr. Yucheng Zhou, IDC's CEO and Chairman. "We are seeing very keen interest in our current and new product offerings and this financing will allow us to expand our sales and marketing initiatives while completing some very exciting new product offerings. There is no question in my mind that significant opportunities are emerging, both in the near term and the longer term, especially in China. This financing will allow us to be well positioned to take advantage of these opportunities."

The private placement is considered a "related party transaction" under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") because it involved the issuance of Convertible Debentures to an insider. IDC is relying on exemptions from the valuation and shareholder approval requirements of MI 61-101, namely the exemptions in Sections 5.5(a) [Fair Market Value Not More Than 25% of Market Capitalization] and 5.5(b) [Issuer Not Listed on Specified Markets] of MI 61-101, and Sections 5.7(a) [Fair Market Value Not More Than 25 Per Cent of Market Capitalization] and 5.7(b) [Fair Market Value Not More Than \$2,500,000] of MI 61-101, respectively.

About Imaging Dynamics Company (IDC):

IDC is a global medical imaging technology provider and innovative force in the high growth field of digital radiography (DR) technology.

The Company has over 4,000 installations in 50 countries of its proprietary, award winning direct capture DR technology, which replaces conventional film-based diagnostic imaging and provides a

cost-effective solution for medical facilities of all sizes to provide high quality diagnostic X-ray images and improve the level of healthcare for their patients.

Throughout its history, IDC has been recognized by multiple industry organizations and research analysts such as: Frost & Sullivan and Deloitte Technology; for its dedication to innovation, global market growth, and customer focused value proposition.

The Company has its corporate office in Calgary, Canada, a sales and marketing office in Beijing, China, and also operations, research and development centres in Calgary, Canada and Shanghai, China.

Visit the IDC web site: www.imagingdynamics.com

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Statements in this release which describe IDC's intentions, expectations or predictions, or which relate to matters that are not historical facts are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of IDC to be materially different from any future results, performances or achievements expressed in or implied by such forward-looking statements. IDC may update or revise any forward-looking statements, whether as a result of new information, future events or changing market and business conditions. Known and unknown risks and uncertainties include: IDC's ability to manufacture its products with a sufficient level of quality and in volumes which satisfy market demand; the ability of IDC to establish direct and indirect sales channels; the ability of IDC to establish industry partnerships; IDC's ability to attract and retain key personnel; the strength and breadth of IDC's patents; and other factors relating to general economic conditions, specific industry conditions and IDC's particular situation.

Neither TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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