Second Quarter 2020 Update

Dear Friend of Navigation Sciences,

We are pleased to announce that the U.S. FDA has approved our Investigational Device Exemption (IDE) to begin first-in man studies with our breakthrough navigation system for lung tumor localization and safe resection. We also had an initial closing on our Series A financing, led by Alira Health Ventures, which will support the trial.

The IDE approval is an important milestone for the company and puts us on a path to start the trial in the fourth quarter of this year. With the IDE in hand, we will now seek Institutional Review Board (IRB) approval from Brigham and Women's Hospital, the final step before beginning the trial. The hospital is taking a phased approach to accepting patients as the number of COVID-19 cases declines. However, we do not expect this will impact the timing of the trial or our ability to recruit patients.

The study, which will enroll 25 patients, will assess the system's safety, ability to localize and excise tumors minimally invasively with appropriate margins. The trial is also designed to evaluate the system's potential to improve surgical workflow and reduce length of stay, two key economic drivers of adoption. The surgeries will be conducted at Brigham and Women's Hospital by Scott Swanson, M.D., Director of Minimally Invasive Surgery at the Hospital and Associate Chief of Surgery at Dana Farber Cancer Center.

The initial closing of the Series A totaled $1.75 million, which consisted of $1.5 million in convertible notes from the pre-Series A and an additional $250,000 in equity from an existing investor. The additional equity investment is a strong vote of confidence in our progress and strategy for moving forward.

As always, thank you for your interest and support. We hope you and your family have remained safe during these challenging times.

Sincerely,

Alan Lucas

CEO