

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **LITE ACCESS TECHNOLOGIES INC.** (the "Issuer").

Trading Symbol: **LTE**

Number of Outstanding Listed Securities: **30,663,663 Common Shares**

Date: **September 7, 2016**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

## **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer is a fibre optic technology company focused towards delivering an innovative microduct and air blown fibre solution that is changing the way fibre optic networks are deployed. The Issuer's suite of air-blown fibre products and unique micro-trench method of deployment enables the end user to bridge the digital divide providing unlimited bandwidth in a cost effective, timely and future-proof manner. The Issuer provides not only proven technologies but also network design, training and certification, as well as certified construction partners.

On August 18, 2016 the Issuer provided an update on the current operational activities of the Company and announced that it has received Certificate of Recognition ("COR") certification for its safety program.

The Certificate of Recognition (COR) is a voluntary incentive program that recognizes companies who develop and implement health and safety and injury management systems that meet an industry standard. The program rewards employers who take a strategic approach to workplace safety and are committed to reducing both the human and financial costs of workplace injuries. The BC Construction Safety Alliance is the COR Certifying Partner for employers in the construction industry.

### **Benefits of COR certification:**

- Many clients require their contractors to have a recognized safety program in place as a prequalification to bid on projects; COR meets that requirement. Employers who achieve and maintain COR may be eligible to receive up to 15% in annual incentive payment from WorkSafeBC
- Over time, with reduced injuries and lower claim costs, a COR company's experience-rated WorkSafeBC premiums will reflect additional savings
- Makes a strong public statement about a company's commitment to protecting the well-being of workers and maintaining a culture of safety on jobsites

### **Corporate Updates:**

#### **Municipal Access Agreement Received**

Lite Access has been granted a Municipal Access Agreement ("MAA") from the City of Vancouver, British Columbia. The MAA enables Lite Access to

deploy fibre connectivity using micro-trench installation methodologies for clients that do not have the ability to own fibre optic or telecommunications services within the City.

#### **Telecommunication Services of Trinidad and Tobago (TSTT)**

The successful business partnership between Lite Access and valued partner TSTT continues to strengthen. Lite Access received another purchase order in the amount of approximately CDN\$250,000 as TSTT increases their fibre optic deployments using Lite Access' best-in-class technology to meet the connectivity demands for their clients.

#### **Novus Communications**

Lite Access recently finished an additional build for its valued and long term partner Novus Communications in Vancouver, BC.

#### **Continued Network Builds and Expansion Projects in Western Canada and in the USA**

Lite Access continues to support and assist with ongoing builds and expansion projects, highlights include:

- Continued network builds within the interior of BC and into Alberta for our valued and long term partners
- Ongoing network builds for Parks Canada, including additional connectivity for Waterton Parks, Alberta and Bar U Ranch located near Longview, Alberta
- Ongoing product sales continue into New York, Massachusetts and New Hampshire for varied connectivity requirements ranging from distributed antenna system ("DAS") builds, Telco network expansions as well as Municipal Open Access Networks.

On August 23, 2016 the Issuer announced that its wholly owned subsidiary, DSG Communications Ltd. ("DSG"), has been awarded a contract in the amount of \$400,000 for the supply and installation of a 3.5km Public Works Fibre Optics Link for the City of Chilliwack, British Columbia. Using Lite Access' proprietary micro-trench and air blown fibre optic technologies will enable connectivity to several Municipal buildings in the most future proof and cost effective fibre manner possible.

The City of Chilliwack like many other communities throughout much of North America are proactively building infrastructure to help offset the high cost of current service provider connectivity. Due to the high costs associated with traditional fibre builds and high monthly costs for individual connections, cities and communities are actively seeking alternative technologies and deployment options that will enable connectivity in the most cost effective and timely manner possible. Lite Access Technologies

has been working with numerous communities and cities to provide a proven solution that is being adopted throughout much of North America, South America as well as International. Specializing in microduct and air blown fibre technologies and deployed using specially designed micro-trench, micro-drill methodologies, Lite Access has successfully changed the way fibre optic connectivity is achieved today. Beginning with numerous community builds within the Interior of British Columbia, Lite Access' products have been used for many other municipalities in Western Canada including QNet - in Coquitlam, BC, the Township of Langley, Corporation of Delta, BC, Banff and Waterton, Alberta, to name a few.

On August 30, 2016 the Issuer announced its financial results for the third quarter ended June 30, 2016 and provided a business update. The financial statements and related management's discussion and analysis ("MD&A") can be viewed on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **Financial Highlights for the Third Quarter 2016:**

- Second consecutive quarter of profitability and second consecutive quarter of positive adjusted EBITDA;
- Total sales of \$2,437,537 for the quarter ended June 30, 2016 compared to \$119,402 in 2015, an increase of 2,041%;
- Total sales of \$10,146,561 for the nine months ended June 30, 2016 compared to \$665,794 in 2015, an increase of 1,524%;
- Adjusted EBITDA\* totalled \$981,812;
- Income from operations of \$791,273 for the quarter ended June 30, 2016 compared to a loss from operations of \$1,110,943 in 2015;
- Income before income tax of \$805,216 in the quarter compared to a loss of \$1,111,326 in 2015;
- Net income after taxes of \$614,386 for the quarter ended June 30, 2016 compared to a net loss of \$1,111,326 for 2015; and
- Earnings per share of \$0.04 for the nine months ended June 30, 2016 compared to a loss per share of \$0.07.

#### **Business Highlights:**

- Increased number of installers that are currently undergoing Lite Access certification and training. Yukon-based Total North Communications Ltd. joined the list of global certified technology partners. The Company now has over 20 certified deployment and technology partners.

- **Key additions to strengthen the Company's Advisory Board, namely Brian McFadden and Robert Neal. Both bring extensive industry knowledge and depth of experience integral to driving the Company's growth both nationally and internationally.**
  - **Received new purchase order from long-time, valued Peruvian-based value-added reseller, MG Trading, for a project build totaling 18km. Importantly, the scale of the projects is growing substantially since Lite Access' initial 500m project in 2013.**
  - **New proprietary product LiteXtend for last mile connectivity solution manufactured exclusively by Lite Access.**
2. Provide a general overview and discussion of the activities of management.

**Management's activities in the month were focused on the business activities discussed in section 1 hereinabove, sales processes, overall performance of the Issuer's business, and monitoring the cash and working capital position of the Issuer.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**No new products or services were developed or offered in the month.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**No products or services were discontinued in the month.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**Except for the description provided in section 1 hereinabove and in previous monthly reports, there have been no new relationships entered between the Issuer, the Issuer's affiliates or third parties including contracts to supply**

**products or services, joint venture agreements and licensing agreements, etc. in the reporting month.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**No significant contracts or agreements between the Issuer, the Issuer's affiliates or third parties expired or were terminated and no previously announced financing arrangements were cancelled during the month.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**No significant acquisitions or dispositions of the Issuer's assets occurred during the reporting month.**

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

**Refer to the discussion in section 1 hereinabove and previous monthly reports for discussion of the Issuer's activities with customers. No other significant activities in this area have occurred in the current reporting month.**

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

**No new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks in the month.**

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

**There were no hirings, terminations, or lay-offs of key staff during the reporting month.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**There were no labour disputes affecting the Issuer during the reporting month.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**The Issuer is not a party to any significant legal proceedings.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**No significant indebtedness was incurred or repaid during the month. The Issuer continues to repay debt secured by equipment and under capital lease, as well as continues to manage its line of credit.**

14. Provide details of any securities issued and options or warrants granted.

**During the reporting month, 6,300 share purchase warrants at a price of \$0.25 were exercised for proceeds of \$1,575. As a result, 6,300 shares were issued during the reporting month.**

**No options were exercised or issued and no warrants were issued by the Issuer in the reporting month.**

15. Provide details of any loans to or by Related Persons.

**As reported in the Issuer's most recent set of interim financial statements for the period ended June 30, 2016, the Issuer had \$210,248 due to Related Persons as at June 30, 2016.**

**\$150,000 of this outstanding balance pertains to the acquisition of DSG Communications Ltd. The payment schedule is \$150,000 on three months from closing of the Definitive Agreement (paid), \$150,000 on six months from closing of the Definitive Agreement (paid), \$150,000 on nine months from**

**closing of the Definitive Agreement (paid), and \$150,000 on twelve months from closing the Definitive Agreement. The Definitive agreement closed on August 7, 2015.**

**The remaining balance of \$60,248 does not bear interest, is not secured, and does not have specific terms of repayment.**

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

**There were no changes in directors, officers or committee members in the month. Refer to previous monthly reports for discussion of the Issuer's activities with respect to any changes in directors, officers or committee members. No other significant activities in this area have occurred in the current reporting month.**

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

**There are no trends, commitments, events or uncertainties known to management which could reasonably be expected to have a material effect on the Issuer's business, the Issuer's financial condition or results of operations.**



## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **September 7, 2016**\_\_\_\_\_.

**SCOTT MACEACHERN**

Name of Director or Senior  
Officer

**/s/ Scott MacEachern**\_\_\_\_\_

Signature

**Chief Financial Officer**

Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer <b>LITE ACCESS TECHNOLOGIES INC.</b>	For Month End <b>AUGUST 2016</b>	Date of Report YY/MM/D <b>16/09/07</b>
Issuer Address <b>1115/1215 – 6900 Graybar Road</b>		
City/Province/Postal Code <b>Richmond, BC V6W 0A5</b>	Issuer Fax No. <b>( )</b>	Issuer Telephone No. <b>(604) 247-4704</b>
Contact Name <b>KIRK GAMLEY</b>	Contact Position <b>Investor Relations</b>	Contact Telephone No. <b>(604) 689-7422</b>
Contact Email Address <b>kirk@contactfinancial.com</b>	Web Site Address <b>http://www.liteaccess.com/</b>	