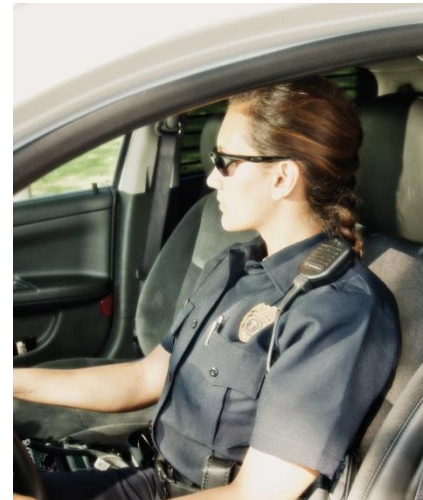
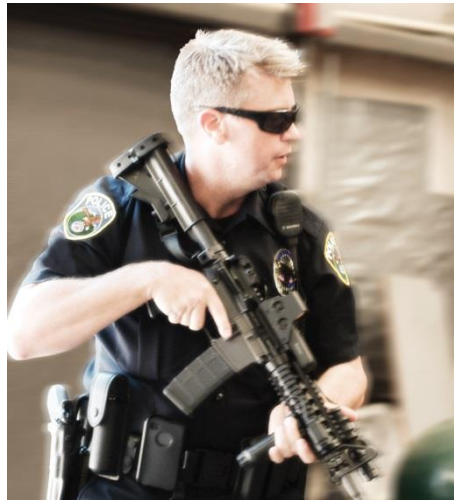
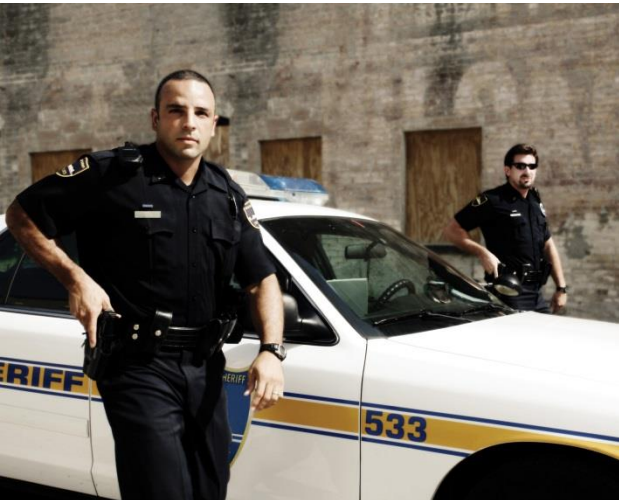




INVESTOR PRESENTATION

FALL 2015



...we bring everyday heroes home safely™

TSXV: PSP

Forward Looking Agreement

Apart from historical data, this document contains information and statements concerning the future results of the Pacific Safety Products Inc. (the “Company” or “PSP”) which should be considered as prospective and forward-looking. These statements reflect the current vision of the Company’s concerning future events; they are based on information currently available to the Company and on assumptions which are considered reasonable. These prospective statements are subject to risks, uncertainties and other factors likely to influence the results, performance and achievements of the Company such that they could differ substantially from the results, performance and achievements prospective statements of this nature might imply.

The Company is in no way obliged nor does it intend to update or revise these prospective statements on the basis of new information, future events, etc.

- Largest supplier of Armour and Blast Protection Products in Canada
- Board and management aligned on growth path of the business
 - ✓ Refreshed product lines
 - ✓ Clean balance sheet with healthy working capital (3.4mm)
 - ✓ Momentum evident to fuel increasing profitability
- Current business has a robust portfolio of NIJ Certified refreshed products
 - ✓ Opportunity to take advantage of US competitor weakness
 - ✓ Only company in the market with Canada and US MFG capability
 - ✓ 107 full time 34 casual employees located in two plants: Arnprior, ON & Dover, TN
 - ✓ Fiscal 2015 – focus was strategic new product development resulting in sales
- Sustainable cash flow
 - ✓ No needs of dilution in order to grow the business



TSX Venture:	PSP
Shares Outstanding:	65.6 Million
Warrants:	Nil
Options:	4.7 Million
Convertible Deb:	5.0 Million
Fully Diluted:	75.2 Million
52 Week High/Low:	\$0.245 / \$0.08
Market Capitalization:	15.1 Million
Insider Ownership:	23% plus
FY 2015 Revenues:	17.7 Million
FY 2015 EBITDA:	1.5 Million

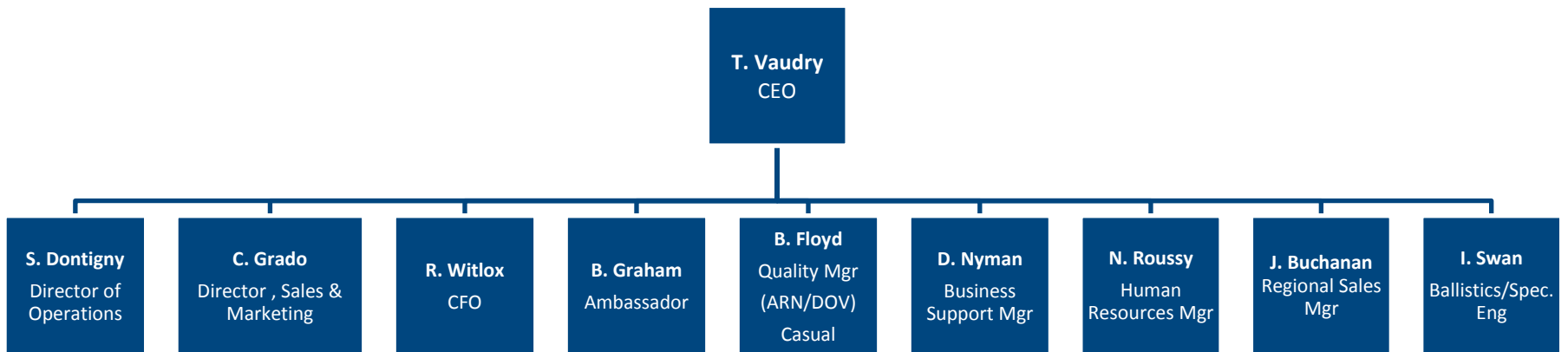


- Established in 1984
- Public Company since mid 1990's
- History of underperformance and unprofitability
- In 2004 two major DND contracts created a multi-year backlog of business (~\$60M)
- Company market cap soars to over \$40M in by mid 2005
- From 2005 – 2009 PSP enters the US body armour market with GH Armour (formerly Sentry Armor Systems, Dover, TN)
- PSP overpays for a US body armor competitor (GH Armor) and a CDN distributor of law enforcement equipment, fails to integrate and grow the business
- Company burdens itself with inefficient organization structure
- Large R&D projects are funded and never capitalized on
- New management arrived in October 2012 to turn Company around



➤ Board of Directors:

- ✓ Fraser Campbell, Chairman of the Board
- ✓ Terry Vaudry, CEO & Director
- ✓ Ken Hight, Chairman of the Audit Committee



- Defense and Security
 - ✓ Protective Products for Law Enforcement and the Military
 - ✓ Primary focus on the individual Officer, Agent or Soldier
 - ✓ PSP provides Duty & Ballistic Protection

- Uniforms/Clothing
 - ✓ As an OEM (tactical clothing)
 - ✓ CBRN Protective Clothing

- Industrial & Vehicle
 - ✓ Blast Protection for mission-critical components
 - ✓ Workplace safety

- ISO 9001 Certified (Canada & USA)



➤ Ballistic and Blast Protection

- ✓ Research, Development and Testing
- ✓ Product Design and customization
- ✓ Manufacturing
- ✓ Post Delivery Support Services

➤ Dedicated Design Team

- ✓ Product Designers
- ✓ Mechanical Engineering
- ✓ Human Factors/ Ergonomics



Canada

- Sells direct to end users in Canada
- Canadian SBA market size \$10 – 15M annual excluding military
 - ✓ PSP occupies 70% of marketplace
 - ✓ Excellent client focused reputation (Dominant MFG)
- Multi-year trend lines (entering into prolonged expansion)
- Military buys 1-2 times per 10 year cycle on average
 - ✓ Tender due Spring 2015 (expected value \$10 – 20M delivered over 2 years)

USA - GH Armor Business

- Sells via distributors
- US SBA market size: \$200M annual (ex military)
 - ✓ GH occupies 5-7% of marketplace
 - ✓ Opportunity to grow market share
- Business retrenching after neglect and failed sell transactions
- GH in the process of a complete product refresh and is expanding sales and marketing efforts to take advantage of a fragmented market place

- Low tech but high quality product
- High barriers to entry due to certification costs and product lead development time
- Client loyalty is paramount
- Sales cycles difficult to time for new competitors entering the marketplace
- Frequent customization allows PSP to differentiate from competitors
- Preference for domestic in-country production
- Offshore MFG not an option due to quality & low volume orders

Canadian Key Customers

Customer	Soft Body Armour	Tactical Clothing	Special Duty Body Armour	Ballistic Panels	Ballistic Blankets	MP Armour	Spike Body Armour
* Ontario Shared Services	★	★					
* Canada Border Security Agency	★						
* Dept. Fisheries & Oceans	★						
* RCMP	★		★	★			
DND						★	
OPP	★	★					
CSC	★						★

* Canadian Key Customers

- Sales are direct to end customer buyers
- 60 – 75% multi-year with fixed pricing and yearly options, frequently extended

- Revenue levels for Law Enforcement expanding due to contract timing
- Canadian Military confirmed to buy vests and CBRN equipment refresh
- Opportunities for growth as we expand our product portfolio (vehicle armour)
- International sales growth
- Margin expansion

- Mature market - \$200 Million
- It is an intimate market: everybody knows everybody; relationship and history are valuable for success
- Highly fragmented
- Key competitors weak due to over expansion during Iraq and Afgan wars
- Competitive pricing
- “Made in USA” is important
- Delivery times and frequent customization is the key to success



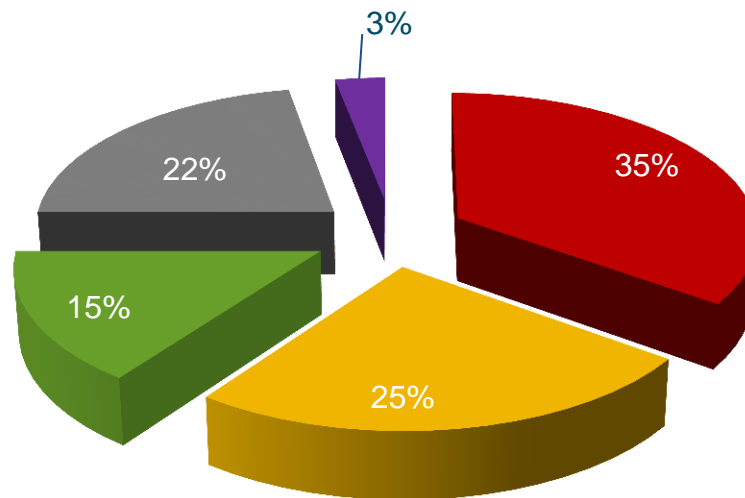
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US Market Size and Competitors

- The US Competition for Soft Body Armour for Law Enforcement (non Military) is as follows:



■ Safariland ■ Point Blank/Diamond Back ■ Armor Express ■ All others ■ PSP

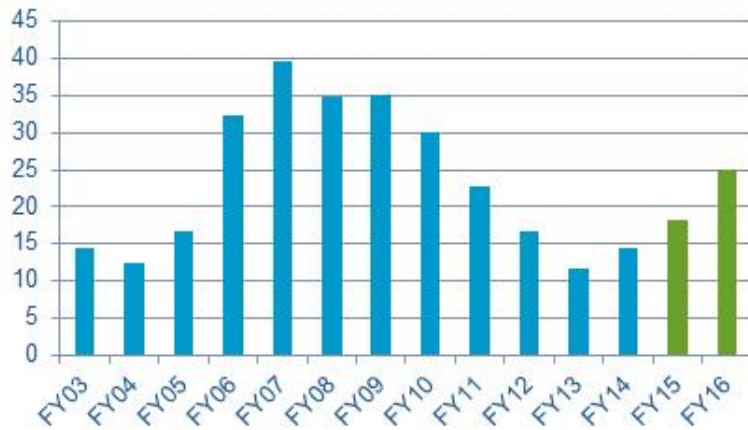
- Sales are primarily to domestic distributors with end users primarily in the state/local, private security and federal sectors

- Top Distributors (FY 2015 sales)
 - ✓ Grainger (National)
 - ✓ Galls (National)
 - ✓ Kroll (National)
 - ✓ Blumenthal Uniforms (WA/OR)
 - ✓ Uniform Den (IL)
 - ✓ Azar's/McCain (AL)
 - ✓ Skaggs (UT)
 - ✓ CMS Uniforms (TN)
 - ✓ GL Distributors (FL)

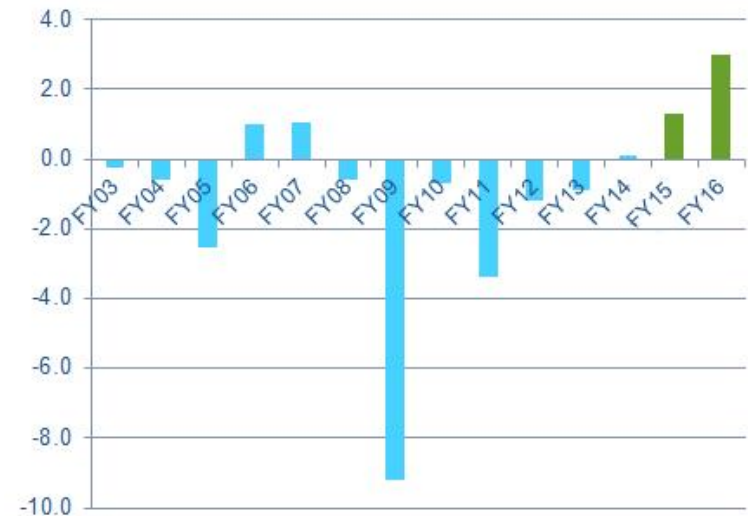
- There are opportunities for sales growth in FY 2016 and 2017:
 - ✓ GH current, small share of the market at roughly 2.5% of US\$200M total available
 - ✓ Competitor difficulties allow targeting of key, new distributors
 - Large competitors struggling after ongoing expansion to service the war effort
 - ✓ Use of distributor GSA sales forces to address the federal market
 - ✓ The GH Armor brand is respected:
 - Products are competitive
 - Firm has a reputation for integrity
 - Better delivery times
 - Customization
 - ✓ New products are coming online: complete product refresh has started to take affect
 - ✓ Margin expansion
 - ✓ US\$ Benefit to CDN\$ balance sheet

Revenue & Earning Projections

Revenue



Earnings



- PSP at the right size to remain profitable at ~ \$17-20M revenue (FY 2015: \$17.7M)

- Excellent working capital with significant near term opportunities for sales growth:
 - ✓ Fiscal 2015 (Revenue \$17.7M)
 - ✓ Fiscal 2016 Projection: \$21 – 23M

- Gross Margins target to be 28-35%

- EBITDA 12% - 14% of sales

- Achieving near term revenue and EBITDA targets allows PSP to de-risk the business by seeking a diversified acquisition and or create partnering opportunities inside or outside the armour industry

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