

**SIRONA BIOCHEM CORP.**

**NOTICE OF MEETING**

**AND**

**INFORMATION CIRCULAR**

**FOR THE**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD AT 9:00 A.M.**

**ON FRIDAY, APRIL 24, 2020**

**AT THE OFFICES OF McMILLAN LLP**

**1500 – 1055 WEST GEORGIA STREET**

**VANCOUVER, BRITISH COLUMBIA**

**V6E 4N7**



**SIRONA BIOCHEM CORP.**

**Suite 1600, 595 Burrard Street, Vancouver, BC V7X 1L3  
Telephone 604-641-4466 Fax 604-608-5471**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “Meeting”) of shareholders of Sirona Biochem Corp. (the “Company”) will be held at the offices of McMillan LLP, 1500-1055 West Georgia Street, Vancouver, British Columbia V6E 4N7 on Friday, April 24, 2020, at 9:00 a.m. (Pacific time), for the following purposes:

1. to receive the consolidated financial statements of the Company for its fiscal years ended October 31, 2019, the report of the auditor thereon and related management’s discussion and analysis;
2. to set the number of directors of the Company;
3. to elect the directors of the Company for the ensuing year;
4. to appoint the auditor of the Company for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
5. to consider, and if thought advisable, to pass an ordinary resolution to ratify, confirm and approve the Company’s 10% rolling stock option plan for continuation; and
6. to consider, and if thought advisable, to pass an ordinary resolution to ratify, confirm and approve the Shareholders Rights Plan Agreement adopted by the Company’s Board of Directors on March 12, 2020.

The specific details of the matters proposed to be put before the Meeting is set forth in the Information Circular, which accompanies this Notice of Meeting.

**DATED** at Vancouver, this 30<sup>th</sup> day of March, 2020

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Howard Verrico, M.D.”*

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Howard Verrico, M.D.  
CEO and Chairman of the Board

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**NOTES:**

1. No other matters are contemplated for consideration at the Meeting, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.
2. An Information Circular (the “Information Circular”) and a form of proxy (the “Proxy”) accompany this Notice of Meeting. Registered shareholders who are unable to be present at the Meeting are asked to kindly specify on the accompanying form of Proxy the manner in which their Common Shares represented thereby are to be voted, and to sign, date, and return the completed form of Proxy in accordance with the instructions set out in the Proxy and the Information Circular.
3. As provided in the *Business Corporations Act* (British Columbia), the directors have fixed a record date of March 20, 2020. Accordingly, persons who are registered as shareholders on the books of the Company at the close of business on March 20, 2020 are entitled to notice of and to vote at the Meeting.

4. If you are a non-registered shareholder and receive these materials through your broker or another intermediary, please complete and return the Voting Instruction Form in accordance with the instructions provided to you by your broker or intermediary.

5. **NOTE OF CAUTION Concerning COVID-19 Outbreak**

At the date of this Notice and the accompanying Information Circular it is the intention of the Company to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of current coronavirus (COVID-19) outbreak (“COVID-19”). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and **not** attend the meeting in person. Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada available at: <https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>. We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described on pages 2 to 4 of the Information Circular accompanying this Notice.

The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Company will announce any and all of these changes by way of news release, which will be filed under the Company’s profile on SEDAR as well as on our Company website at [www.sironabiochem.com](http://www.sironabiochem.com). We strongly recommend you check the Company’s website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Company will **not** prepare or mail amended Meeting Proxy Materials.

**SIRONA BIOCHEM CORP.**

**Suite 1600, 595 Burrard Street, Vancouver, British Columbia V7X 1L3  
Telephone 604-641-4466 Fax 604-608-5471**

**INFORMATION CIRCULAR**

as at March 20, 2020 (*unless otherwise indicated*)

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Sirona Biochem Corp. (the “Company”) for use at the annual meeting (the “Meeting”) of its shareholders to be held on April 24, 2020 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.**

In this Information Circular, references to “the Company”, “we” and “our” refer to Sirona Biochem Corp. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

**NOTE OF CAUTION Concerning COVID-19 Outbreak**

At the date of publication of this Notice and Information Circular it is the intention of the Company to hold the Meeting at the location stated above in the Notice of Meeting. We are continuously monitoring development of current coronavirus (COVID-19) outbreak (“COVID-19”). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and **not** attend the meeting in person. Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada available at: <https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>. We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described on pages 2 to 3 of this Information Circular.

The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Company will announce any and all of these changes by way of news release, which will be filed under the Company’s profile on SEDAR as well as on our Company website at [www.sironabiochem.com](http://www.sironabiochem.com). We strongly recommend you check the Company’s website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Company will **not** prepare or mail amended Meeting Proxy Materials.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "Proxy") are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- b) any amendment to or variation of any matter identified therein, and
- c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter and for the nominees of management for directors and auditors as identified in the Proxy.**

### Registered Shareholders

If you are a registered shareholder, you may wish to vote by proxy whether or not you attend the Meeting in person. Registered Shareholders who choose to submit a proxy may do so by means of one of the following options:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at 1-416-263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the accompanying Proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) log on via the internet to the website voting page of Computershare at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions provided at the voting page and refer to the enclosed Proxy form for the holder's account number and the proxy access number. You will also have the option to appoint a person other than the persons designated on this Proxy form by following the instructions provided on the website.

Regardless of the option chosen to submit the Proxy, to be represented at the Meeting, completed proxies submitted must be received by Computershare **no later than 48 hours**, excluding Saturdays, Sundays and statutory holidays, **prior to the time of the Meeting** or adjournment thereof (unless the Chair of the Meeting determines, in the Chair's sole discretion, that proxies may be received by delivery to the Meeting scrutineer at the Meeting).

### **Beneficial Shareholders**

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners ("OBOs") object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners ("NOBOs") who do not object to the issuers of the securities they own knowing who they are.

### **Voting for Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) and NOBOs, or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries, which include banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans. In Canada, the majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, the majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust and Clearing Corporation (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

The proxy solicitation materials relating to the Meeting are mailed to all registered holders and all NOBOs. Broadridge Financial Solutions, Inc. ("Broadridge") will complete the mailing to all NOBO holders. As a result, NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from Broadridge. The VIF is to be completed and returned to Broadridge as set out in the instructions provided on the VIF. Broadridge will tabulate the results of the VIFs received from NOBOs and will provide appropriate voting instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive.

If you received a VIF, please return your VIF as specified in the request for voting instructions that was sent to you.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

Beneficial Shareholders who are OBOs do not appear on the list of shareholders of the Company maintained by the transfer agent. The Company will not pay for intermediaries to forward the proxy related materials for the Meeting to OBOs. Accordingly, any OBOs should note that they will not receive copies of these proxy related materials unless the intermediary for each OBO assumes the delivery costs related in any such delivery. **OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.**

### **Notice to Shareholders in the United States**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada, and the securities laws of the Provinces of

Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the Provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the Provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (the “BCBCA”) certain of its directors and its executive officers are residents of Canada and a substantial portion or all of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare (see “*Registered Shareholders*” above), or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- b) personally attending the Meeting and voting the registered shareholder’s Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company to the date of this Information Circular, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as set out herein.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors (the “Board”) of the Company has fixed March 20, 2020 as the record date (the “Record Date”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares of the Company without par value. The Common Shares of the Company are listed for trading on the TSX Venture Exchange (the “TSXV”). As of March 20, 2020, there were 226,309,320 Common Shares without par value issued and outstanding, each carrying the right to one vote. There are no restricted securities, or securities directly, or indirectly, convertible into restricted

securities of the Company. There is no class of security holders with the right to elect a specified number of directors, or which has cumulative or similar voting rights.

To the knowledge of the directors and executive officers of the Company, no person or Company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the issued and outstanding common shares of the Company.

### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

### **PRESENTATION OF FINANCIAL STATEMENTS**

The annual financial statements of the Company for the fiscal year ended October 31, 2019 together with the auditor's report thereon and the related management discussion and analysis in respect of the foregoing financial statements, will be presented to the shareholders at the Meeting. Copies of these financial documents are available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### **ELECTION OF DIRECTORS**

#### *Number of Directors*

The shareholders set the number of director positions on the Board at five (5) at the annual general meeting of the Company held on June 20, 2019 (the "2019 AGM") and five (5) directors were elected to the Board. The Board has since determined that the number of director positions on the Board should remain at five (5), and accordingly, at the Meeting the directors will ask the shareholders to approve an ordinary resolution to set the number of directors to be elected to the Board at five (5) directors. The term of office of the five current directors will end at the conclusion of the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the BCBCA, each director elected at the Meeting will hold office until the conclusion of the next annual meeting of the Company, or if no director is then elected, until a successor is elected.

#### *Advance Notice By-Law*

At the annual general and special meeting of the Company held June 10, 2014, the shareholders approved adoption of new Articles of the Company by special resolution. The new Articles (the "Articles") include provision for advance notice of nominations for directors ("Advance Notice Provision") to be elected at a meeting of the Company's shareholders. The Advance Notice Provision relates to the nomination of directors of the Company and has the purpose of providing shareholders, directors and management of the Company with a clear framework for nomination of directors of the Company in connection with any annual or special meeting of the Company's shareholders.

The purpose of the Advance Notice Provision is to: (i) ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) facilitate an orderly and efficient process for annual or, where the need arises, special meetings of shareholders of the Company. The Advance Notice Provision sets a deadline by which shareholders of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in a written notice to the Company for any director nominee to be eligible for election at such annual or special meeting of shareholders.

A copy of the Articles can be found under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com) filed on June 10, 2014. The Advance Notice Provision is subject to annual review by the Board, and, as necessary, is updated to conform to statutory corporate and securities acts and regulations.

At the Meeting, any nominations for the position of director that are not proposed in this Information Circular and which are not submitted pursuant to Article 10.11, in the Articles, will not be accepted or considered at the Meeting. Pursuant to the Articles, the requirements of Article 10.11 may be waived at the sole discretion of the Board at any time.

*Nominations for Election as Director*

The following table sets out the names of management's five nominees for election as director, all major offices and positions held by them with the Company and any of its significant affiliates each now holds; each nominee's principal occupation, business or employment (for the five preceding years for each new director nominee), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at March 20, 2020.

<b>Name, Position Held with the Company and Province/State and Country of Residence of Director Nominees</b>	<b>Present Principal Occupation, Business or Employment<sup>(1)(2)</sup></b>	<b>Director Since</b>	<b>Number of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly</b>
<b>Howard Verrico, M.D.</b> <sup>(3)(4)</sup> <i>Director, Chief Executive Officer ("CEO") and Board Chairman</i> British Columbia, Canada	Emergency Physician, Ridge Meadows Hospital; CEO and Chairman of the Board of the Company.	Sep 19, 2006	8,351,251 <sup>(6)</sup>
<b>Christopher Hopton</b> <sup>(4)</sup> <i>Chief Financial Officer ("CFO") and Director</i> British Columbia, Canada	President of Orcas Island Finance Ltd.; CFO of the Company.	Jan 11, 2011	958,525 <sup>(6)</sup>
<b>Géraldine Deliencourt-Godefroy, Ph.D.</b> <i>Chief Scientific Officer ("CSO") and Director</i> Bois d'Ennebourg, France	CSO of the Company; Founder and Chief Scientific Officer of TFChem S.A.S.	March 31, 2011	10,400,000 <sup>(6)</sup>
<b>Alex Marazzi, Ph.D.</b> <sup>(3)</sup> <i>Director</i> British Columbia, Canada	Physician with family and emergency certification; partner in a medical clinic, Mission, British Columbia, Canada.	Oct. 19, 2006	2,460,769 <sup>(5)(6)</sup>
<b>Jason Tian</b> <sup>(3)(4)</sup> <i>Director</i> Shanghai, China	Senior Partner, Landing Law Offices since 2007.	June 7, 2019	3,020,000 <sup>(6)</sup>

Notes:

- (1) This information as to principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) Unless otherwise stated, any nominee named above not elected at the last annual general meeting has held the principal occupation or employment indicated for at least five years.
- (3) Member of the Audit Committee
- (4) Member of the Compensation Committee.
- (5) Of these Common Shares, 10,000 are held by Dr. Alex Marazzi Inc., 400,769 are held by Mikbrykar Holdings Ltd., 150,000 are held by Alex Marazzi, and 1,900,000 are held by The Marazzi Family Trust. Dr. Alex Marazzi Inc. and Mikbrykar Holdings Ltd. are companies wholly-owned by Dr. Marazzi. Dr. Marazzi controls The Marazzi Family Trust.
- (6) Each of the following directors also holds options to purchase Common Shares: Dr. Verrico (3,750,000), Mr. Hopton (2,800,000), Ms. Deliencourt-Godefroy (1,450,000), Mr. Marazzi (300,000) and Mr. Tian (900,000).

No person proposed for election as director of the Company is to be elected under any arrangement or understanding between the person proposed for election as director and any other person or company, except the current directors and executive officers of the Company acting solely in such capacity.

### **Director Biographies**

**Howard Verrico, M.D.** is a founding member of the Company and has held various executive roles within the Company since its inception. He is the Company's current CEO. He has extensive public company experience and has been involved in many public and private companies. Dr. Verrico obtained his medical degree from the University of Toronto in 1985 and has been a member of the College of Physicians and Surgeons of British Columbia since July 1986. Dr. Verrico is currently a practicing emergency room physician.

**Christopher Hopton** is the Company's CFO and he is a director of the Company. He brings 25 years of expertise in financial management and operations. His extensive experience covers areas of financial planning, accounting policy and business process improvement. As a business investment and finance consultant, Mr. Hopton has worked with several public and privately held companies. Most recently, Mr. Hopton was the chief financial officer of Central Resources Corp., a junior mineral exploration company. Formerly, he held the position of Division Controller at Canadian Airlines where he was responsible for an annual operating budget of \$200M. Mr. Hopton was also involved in the restructuring of 360 Networks, a network communications company, which led to a buyout by Bell Canada. Mr. Hopton earned his Bachelor of Business Administration from Simon Fraser University in British Columbia, Canada and received his professional designation as a Certified Professional Accountant.

**Géraldine Deliencourt-Godefroy, Ph.D.** is an award-winning synthetic chemist and the founder of France-based biotechnology company TFChem. Since the acquisition of TFChem by Sirona Biochem in March 2011, Dr. Deliencourt-Godefroy has assumed the role of CSO of the Company. Her scientific research in carbohydrate chemistry has led to the discovery of new drug families and the development of drug candidates for diabetes and obesity, cosmetic ingredients and biological adjuvants. Prior to founding TFChem, Dr. Deliencourt-Godefroy was a scientific leader at INSA (National Institute of Applied Sciences) in Rouen, France, where she developed a new technology on stabilized carbohydrates. Previous roles also include a post-doctoral position at the University College London and doctoral research at the Research Institute of Fine Organic Chemistry in Rouen, France. Dr. Deliencourt-Godefroy received a PhD and Masters in Organic Chemistry as well as her business degree from the University of France. She is the author of several publications and patents and is the recipient of the acclaimed Francinov Research and Innovation Medal, French Ministry of Research Award and the French Senate Award.

**Alex Marazzi, Ph.D.** is a family physician with certification in both Family and Emergency Medicine. He has been in family practice in Mission, British Columbia since 1997. He is also part owner of a well-established walk-in-clinic. He recently served as the Chief of the Emergency Department at Mission Memorial Hospital. Prior to practicing medicine in British Columbia, Dr. Marazzi was an Emergency Room physician for 7 years in Midland, Ontario. Dr. Marazzi earned his Bachelor of Pharmaceutical Sciences at UBC in 1985. While studying medicine he worked as a Hospital Pharmacist at Langley Memorial Hospital. He earned his Doctor of Medicine at UBC in 1989 and pursued an internship at Toronto East General Hospital.

**Jason Tian** is a practicing lawyer with over 10 years of experience in the legal and financial industry. Mr. Tian is a Senior Partner at Landing Law offices based in Shanghai, China. He has been working with Sirona since 2018 representing the Company at strategic partnering meetings in China and France. Mr. Tian has been providing legal services to international clients since 2007 and has worked in top firms in China such as Beijing Zhonglun, Beijing Zhongyin, Beijing Dacheng and is now a Senior Partner of Shanghai Landing Law Offices, a full-service law firm, which serves clients in industries such as healthcare and pharmaceuticals as well as consumer retail in China. Landing Law Offices has several domestic branches and overseas branches in the United States, India, Singapore, Indonesia, Bangladesh, Philippines and Cambodia. Mr. Tian also worked as senior legal translator in the UK-based law firm, Clifford Chance LLP, before starting his legal career.

## Cease Trade Orders and Bankruptcies

No person proposed for election as director of the Company is, as of the date of this Information Circular, or has been, within the ten years prior to the date hereof, a director or chief executive officer or chief financial officer of any company (including the Company) that: (i) was subject to an order that was issued while the proposed director was acting as a director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as disclosed herein, no person proposed for election as director of the Company is, at the date of this Information Circular, or has been within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

## Penalties and Sanctions

No person proposed for election as director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

## Individual Bankruptcies

No person proposed for election as director of the Company has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

## APPOINTMENT OF AUDITOR

DeVisser Gray LLP, Chartered Professional Accountants, 401 – 905 West Pender Street, Vancouver, British Columbia V6C 1L6, will be nominated at the Meeting for appointment as auditor of the Company. DeVisser Gray LLP were appointed auditor of the Company by the Board on January 27, 2020 to replace MNP LLP, Chartered Professional Accountants, as auditor of the Company. See attached *Schedule A – Change of Auditor Reporting Package*.

At the Meeting, the Shareholders will be asked to appoint DeVisser Gray LLP, Chartered Professional Accountants, to the position of auditor of the Company for the ensuing year, and to authorize the directors to fix the auditor's remuneration.

Unless authority to vote is withheld, the persons named in the accompanying form of proxy intend to vote for the appointment of DeVisser Gray LLP, Chartered Professional Accountants, as the auditor of the Company, to hold office until the next annual meeting of the shareholders, and to authorize the directors to fix the auditor's remuneration.

To be approved, the resolution must be passed by a majority of the votes cast by the holders of Common Shares at the Meeting. **Management recommends a vote “for” in respect of the resolution approving the appointment of the auditor and authorizing the directors to fix the auditor’s remuneration.**

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 “*Audit Committees*” (“NI 52-110”) of the Canadian Securities Administrators requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

### **Audit Committee Charter**

The audit committee has a charter (the “Audit Committee Charter”), which sets out its mandate and responsibilities. A copy of the Audit Committee Charter is attached as Schedule “A” to the Information Circular filed under the Company’s SEDAR profile on November 16, 2017.

The audit committee is a committee of the Board. Membership of the audit committee of a reporting issuer company is to be independent of the Company’s management, with the exception of venture issuer companies that claim the relevant exemption in NI 52-110, relating to Part 3 (*Composition of the Audit Committee*). The audit committee represents the interests of the Company’s shareholders.

The audit committee is authorized by the Board to:

- a) oversee the process of selecting and appointing the Company’s external auditor,
- b) oversee the conduct of the audit, and
- c) have primary responsibility for the relationship between the Company and its external auditor.

### **Composition of the Audit Committee**

The current members of the audit committee are: Dr. Alex Marazzi, Jason Tian and Dr. Howard Verrico. All members of the audit committee are “financially literate” (as defined in NI 52-110). Jason Tian and Dr. Alex Marazzi are independent members of the Audit Committee. Dr. Howard Verrico is not independent as he is the Company’s Chief Executive Officer and Secretary.

### **Responsibilities of the Audit Committee**

The audit committee must:

- a) take reasonable steps, at the time the auditor’s appointment is under consideration, to ensure that the auditor is independent of management of the Company in accordance with applicable standards,
- b) determine whether the audit fees charged by the auditor appear adequate in relation to the work required to support an audit opinion, without regard to fees that might be paid to the auditor for other services,
- c) meet with the auditor, regularly and when otherwise appropriate, without management present to determine whether there are any contentious issues between the auditor and management relating to the Company’s financial disclosure and, if so, whether those issues have been resolved to the auditor’s satisfaction,
- d) establish, and monitor compliance with, the Company’s policies regarding (i) the auditor’s providing services beyond the scope of the Company’s audit, and (ii) the Company’s hiring individuals formerly employed by the auditor to fill senior officer positions of the Company, and
- e) annually review the steps it has taken to ensure that the auditor is independent of management of the Company, including (i) the policies and procedures followed so that any contracts for non-audit services to be provided by the auditor do not compromise the auditor’s independence, and (ii) the nature of any non-audit service contracts entered into and the amount of the related fees.

## Relevant Education and Experience

See disclosure under the above heading “*Election of Directors*” pertaining to relevant education and experience of the audit committee members. Each member of the audit committee has:

- a) an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves,
- b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer’s financial statements, or experience actively supervising individuals engaged in such activities, and
- c) an understanding of internal controls and procedures for financial reporting, as evidenced by their respective experience set out under the above heading “*Election of Directors*”.

## Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

## Reliance on Certain Exemptions

In the financial year ended October 31, 2019 and to the date of this Information Circular, the Company has not relied on exemptions contained in sections 2.4, 6.1.1 or 8.1 of NI 52-110.

## Pre-Approval Policies and Procedures

The audit committee has adopted specific policies and procedures for the engagement of non-audit services, and such policies and procedures are set out in the Audit Committee Charter.

## External Auditor Service Fees

The Board resolved on January 27, 2020 that DeVisser Gray LLP, Chartered Professional Accountants (“DeVisser Gray”) be appointed auditor of the Company to replace MNP LLP, Chartered Professional Accountants (“MNP”), effective immediately. As a result DeVisser Gray audited the Company’s annual financial statements for the fiscal year ended October 31, 2019, a copy of which was SEDAR filed on February 28, 2020.

The audit committee has reviewed the nature and amount of the non-audit services provided by MNP, as former auditor, to ensure auditor independence. Fees incurred with MNP for audit and non-audit services in the last two fiscal years are outlined in the following table.

The fees paid by the Company to its auditor in the last two fiscal years, by category, are as follows:

Financial Year End	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
October 31, 2019	\$41,500	Nil	\$1,500	Nil
October 31, 2018	\$57,800	Nil	\$2,500	Nil

Notes:

1. “Audit Fees” include, where applicable, fees necessary to perform the annual audit and the quarterly review of the Company’s consolidated financial statements. Audit Fees include fees for the review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees include audit and other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
2. “Audit Related Fees” include, where applicable, services that are traditionally performed by the auditor. These audit-related services include employee benefits audits, due diligence assistance, accounting consultants on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
3. “Tax Fees” include, where applicable, fees for all tax services other than those included in “Audit Fees” and “Audit Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes Assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
4. “All Other Fees” includes, where applicable, all other non-audit services.

## **Exemption**

The Company is a “venture issuer” as defined under NI 52-110 and, as such, is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

## **EXECUTIVE COMPENSATION**

### **COMPENSATION DISCUSSION AND ANALYSIS**

The Company is a biotechnology research and development corporation that focuses on commercializing technologies in various fields and is dependent on financing to carry on its business. In order to ensure alignment with shareholder interests, as well as to conserve cash resources, the Company relies, when possible and prudent, on stock options and other share compensation arrangements, in addition to cash payments to remunerate its officers, employees, consultants and other service providers. To this end, the Company maintains an incentive stock option plan pursuant to which directors, officers, employees and consultants may be granted options to purchase Common Shares. The Company does not maintain any pension or retirement plan.

#### ***Compensation Committee***

The Board has appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company’s base compensation structure and equity-based compensation program, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board on the basis of recommendations of the compensation committee.

The current members of the compensation committee are: Howard Verrico, Christopher Hopton and Jason Tian. Jason Tian is an independent director. Howard Verrico and Christopher Hopton are not independent as Dr. Verrico is the CEO of the Company and Mr. Hopton is the CFO. See disclosure under “*Election of Directors*” pertaining to relevant education and experience of the compensation committee members.

The compensation committee assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company and reviews the compensation of senior management on at least an annual basis taking into account compensation paid by other issuers of similar size and activity.

#### ***Objectives of the Compensation Program***

The compensation program for the executive officers of the Company is designed with a view that the level and form of compensation achieves the following objectives:

- a) to attract and retain qualified executives,
- b) to motivate and recognize the performance and contributions of these executives, and
- c) to align their interests with those of the Company’s shareholders.

The Company’s compensation program is in place to ensure it stays comparable with other biotechnology research and development companies at a similar stage of development.

#### ***Elements of Compensation***

In compensating its executive officers and senior management, the Company has employed a combination of short-term incentives (base salary or equivalent consulting fees), bonus and long-term incentives (stock option grants). The compensation committee is responsible for evaluating the CEO’s performance relative to the Company’s annual goals and recommending the compensation package to the Board for review and approval. The CEO is responsible for reviewing annually the base salaries of the other senior officers of the Company and their adjustments.

### Base Salary

In the view of the compensation committee, paying base salaries, which are reasonable in relation to the level of service expected, while remaining competitive in the life science markets in which the Company operates is a necessary step to attract and retain qualified and experienced executives.

### Bonus

The CEO is eligible to receive an annual performance-based cash bonus, which is overseen by the Board. The Board does not consider the applicable periods set for bonus purposes to be heavily weighted to the short-term and believes it has struck an appropriate balance between the short-term performance incentives and longer-term awards that vest over time.

### Stock Options

The Company believes that encouraging its executives to become shareholders is the best way of aligning their interests with those of its long-term shareholders as the executives are provided with the opportunity to participate in the appreciation of the Company's share price. The Company has in place its equity incentive stock option plan (the "Option Plan"). The Option Plan was implemented to provide incentive to officers, directors, employees and consultants to increase their proprietary interest in the Company. The Option Plan is administered by the Board. The Board determines the individuals, the number of options, date of and the corresponding exercise price of all grants made under the Option Plan. Stock Options ("Options") granted to NEOs (defined below) take into account a number of factors, including the amount and term of Options previously granted, base salary or consulting fees, performance and market comparability. Following the fiscal year end of October 31, 2019, the Company granted an aggregate of 6,800,000 options as compensation to directors and officers of the Company as well as to consultants of the Company. Of those options granted 3,400,000 were granted to directors and officers of the Company.

### ***Risk Assessment***

In carrying out its mandate, the Board from time to time reviews the risk implications of the Company's compensation policies and practices, including those applicable to the Company's executives. This review of the risk implications ensures that the compensation plans, in their design, structure and application have a clear link between pay and performance and do not encourage excessive risk taking. Key considerations regarding risk management include the following:

- a) Design of a compensation program to ensure all executives are compensated equally based on the same or, depending on the mandate and term of appointment of a particular executive, substantially equivalent performance goals,
- b) A balance of short-term performance incentives with equity-based awards that vest over time,
- c) Ensuring that the overall expense to the Company of the compensation program does not represent a disproportionate percentage of the Company's annual budget or financial resources, after giving consideration to the development stage of the Company, and
- d) Utilizing compensation policies that do not rely solely on the accomplishment of specific tasks without consideration to longer-term risks and objectives.

For the reasons set forth below, the Board believes that the Company's current executive compensation policies and practices achieve an appropriate balance in relation to the Company's overall business strategy and do not encourage executives to expose the Company to inappropriate or excessive risks.

The base salaries set for the Company's executives are intended to provide a steady income regardless of the price performance of the Common Shares, allowing executives to focus on both near-term and long-term goals and objectives without undue reliance on short-term price performance or market fluctuations of the Common Shares.

### Named Executive Officers

The following table sets forth all compensation received by individuals who served as a Named Executive Officer (“NEO”) of the Company for the financial years ended October 31, 2019, 2018 and 2017. NEOs are executive officers of the Company including: the Chief Executive Officer (“CEO”) or Chief Financial Officer (“CFO”) of the Company at any time during those financial years, and all other executive officers of the Company who received salary and/or bonuses from the Company in excess of, in aggregate, \$150,000. Howard Verrico, CEO, Christopher Hopton, CFO and Géraldine Deliencourt-Godefroy, CSO are each a NEO of the Company for purposes of the following disclosure.

### Summary Compensation Table

Name and principal position	Fiscal Year	Salary (\$) <sup>1</sup>	Share-based awards (\$)	Option-based awards (\$) <sup>(3)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans <sup>(2)</sup>			
Howard Verrico, CEO	2019	151,200	N/A	78,173	94,000	N/A	N/A	Nil	323,373
	2018	144,000	N/A	39,471	N/A	N/A	N/A	Nil	183,471
	2017	144,000	N/A	Nil	N/A	N/A	N/A	Nil	144,000
Christopher Hopton, CFO	2019	138,600	N/A	Nil	74,000	N/A	N/A	Nil	212,600
	2018	132,000	N/A	39,471	N/A	N/A	N/A	Nil	171,471
	2017	132,000	N/A	Nil	N/A	N/A	N/A	Nil	132,000
Géraldine Deliencourt-Godefroy, CSO	2019	213,394	N/A	Nil	39,000	N/A	N/A	Nil	252,394
	2018	213,394	N/A	15,788	N/A	N/A	N/A	Nil	229,182
	2017	199,809	N/A	Nil	N/A	N/A	N/A	Nil	199,809

Notes:

1. Includes salary paid or accrued during the financial year.
2. Long term incentive plan means any plan that provides compensation intended to motivate performance to occur over a period greater than one financial year, but does not include option or stock appreciation rights plans or plans to compensate through restricted shares or restricted share units.
3. The fair value of stock options have been calculated using the Black-Scholes option valuation model with the following assumptions:

Year ended October 31,	2019	2018
Dividend yield	0%	0%
Expected volatility	87% to 99.39%	67% to 68%
Risk free interest rate	1.54% to 1.78%	1.46% to 1.88%
Expected life of options	3 years	1.44 to 2.5 years
Share Price	\$0.125 to \$0.48	\$0.11 to \$0.13

### Consulting Agreements and Employment Agreement

**Howard Verrico** – The Company entered into a consulting agreement with Dr. Verrico dated June 26, 2015 (the “Verrico Agreement”), for an indefinite term, pursuant to which Dr. Verrico receives a salary of \$161,280 per annum, payable in equal monthly instalments of \$13,440 plus GST. Dr. Verrico may also receive discretionary cash bonuses as determined by the Company. Dr. Verrico is entitled to receive stock option grants, which are to be recommended by the Compensation Committee and approved by the Board at the time of grant. If Dr. Verrico’s position with the Company is terminated by the Company without cause or if the Verrico Agreement is terminated by Dr. Verrico for good reason (as those terms are defined in the Verrico Agreement), the Company shall pay Dr. Verrico, at the termination date, a lump sum cash amount equal to two times the annual compensation paid to Dr. Verrico immediately preceding such termination. In addition, all non-vested share options granted to Dr. Verrico shall immediately and fully vest on the termination date and may be exercisable for one year thereafter. The

Company may terminate the Verrico Agreement and Dr. Verrico's position with the Company for cause at any time without notice or compensation. In the event Dr. Verrico resigns or the Company terminates Dr. Verrico's position within 12 months after a change of control of the Company, Dr. Verrico will receive a lump sum payment of two times the annual compensation then payable under the Verrico Agreement and all non-vested share options shall immediately and fully vest and be exercisable for one year thereafter. A change of control is defined as: the acquisition by any person or group of 50% of the outstanding Shares of the Company; the removal by resolution of shareholders of more than 51% of the then incumbent directors of the Company; the election of a majority of directors to the Board who were not nominees of the Company's Board immediately preceding such election; consummation of a sale of all, or substantially all, of the assets of the Company; or the consummation of a reorganization, merger or other transaction which has substantially the same effect. In addition to all change of control payments under the Verrico Agreement, if the change of control results in a buyout, on the closing of the buyout, Dr. Verrico will receive a cash bonus equal to 1.4% of the transaction value of the buyout. A "buyout" means (i) the acquisition by any person or group acting in concert which totals for the first time 66.67% of the outstanding Shares of the Company; or (ii) the consummation of a sale of all or substantially all of the assets of the Company, or (iii) the consummation of a reorganization, merger or other transaction which has substantially the same effect.

**Christopher Hopton** – The Company entered into a consulting agreement with Mr. Hopton dated June 26, 2015 (the "Hopton Agreement"), for an indefinite term. Pursuant to the terms of the Hopton Agreement, Mr. Hopton receives a salary of \$147,840 per annum, payable in equal monthly instalments of \$12,320 plus GST. Mr. Hopton may also receive discretionary cash bonuses as determined by the Company. Mr. Hopton is entitled to receive stock option grants, which are recommended by the Compensation Committee and approved by the Board at the time of grant. If Mr. Hopton's position with the Company is terminated by the Company without cause or if the Hopton Agreement is terminated by Mr. Hopton for good reason (as those terms are defined in the Hopton Agreement), the Company shall pay Mr. Hopton at the termination date a lump sum cash amount equal to two times the annual compensation paid to Mr. Hopton immediately preceding such termination. In addition, all non-vested share options granted to Mr. Hopton shall immediately and fully vest on the termination date and may be exercisable for one year thereafter. The Company may terminate the Hopton Agreement and Mr. Hopton's position with the Company for cause at any time without notice or compensation. In the event Mr. Hopton resigns or the Company terminates Mr. Hopton's position within 12 months after a change of control of the Company, Mr. Hopton will receive a lump sum payment of two times the annual compensation then payable under the Hopton Agreement and all non-vested share options shall immediately and fully vest and be exercisable for one year thereafter. A change of control is defined as the acquisition by any person or group of 50% of the outstanding Shares of the Company; the removal by resolution of shareholders of more than 51% of the then incumbent directors of the Company; the election of a majority of directors to the Board who were not nominees of the Company's Board immediately preceding such election; consummation of a sale of all or substantially all of the assets of the Company; or the consummation of a reorganization, merger or other transaction which has substantially the same effect. In addition to all change of control payments under the Hopton Agreement, if the change of control results in a buyout, on the closing of the buyout, Mr. Hopton will receive a cash bonus equal to 1.0% of the transaction value of the buyout. A "buyout" means (i) the acquisition by any person or group persons acting which totals for the first time 66.67% of the outstanding common shares of the Company; or (ii) the consummation of a sale of all or substantially all of the assets of the Company, (iii) or the consummation of a reorganization, merger or other transaction which has substantially the same effect.

**Géraldine Deliencourt-Godefroy** – The Company's wholly-owned subsidiary, TFChem SAS, entered into an employment agreement with Dr. Deliencourt-Godefroy dated March 31, 2011. Under the terms of the agreement, Dr. Deliencourt-Godefroy receives an annual salary of €94,200 payable in equal monthly installments of €7,850. Dr. Deliencourt-Godefroy also receives stock options, which option grants are recommended by the Compensation Committee and approved by the Board on the date of grant.

## Incentive Plan Awards

### *Outstanding Option-based and Share-based Awards*

The Company does not issue share-based awards. The following table sets forth information in respect of all option-based awards outstanding for each NEO as at October 31, 2019:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (mm/dd/yyyy)	Value of unexercised in-the-money options <sup>(1)</sup> (\$)
Howard Verrico, CEO	1,600,000	0.16	06/26/2025	464,000
	150,000	0.20	09/21/2026	37,500
	500,000	0.15	11/20/2027	150,000
	500,000	0.10	02/26/2029	175,000
Christopher Hopton, CFO	150,000	0.20	09/21/2026	37,500
	500,000	0.15	11/20/2027	150,000
	1,400,000	0.16	06/26/2025	406,000
Géraldine Deliencourt-Godefroy, CSO	300,000	0.16	6/26/2025	87,000
	150,000	0.15	11/20/2027	45,000

Note:

1. Based on a trading day closing stock price of \$0.45 per Common Share as at October 31, 2019.

### *Incentive Plan Awards – Value Vested or Earned During the Year*

The following table sets out the value vested or earned with respect to option-based awards for each NEO during the year ended October 31, 2019:

Name	Option-based awards – value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Howard Verrico, CEO	78,173	N/A	94,000
Christopher Hopton, CFO	Nil	N/A	74,000
Géraldine Deliencourt-Godefroy, CSO	Nil	N/A	39,000

## Pension Plan Benefits

The Company does not have a Pension Plan for its NEOs and directors.

## Termination and Change of Control Benefits

Please refer to the narrative description of the consulting agreements and employment agreement under the heading *Consulting Agreements and Employment Agreement* above.

## Director Compensation

There were five directors of the Company at the October 31, 2019 financial year end, three of whom were also Named Executive Officers: Howard Verrico, Christopher Hopton and Géraldine Deliencourt-Godefroy, for whom executive compensation is disclosed above. Independent directors are compensated for their attendance at Board meetings. The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors, except for the grant of stock options from time to time.

The compensation provided to the directors, excluding a director who is included in disclosure for a NEO above, for the Company's most recently completed financial year ended October 31, 2019 is as follows:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Alex Marazzi	Nil	Nil	7,894	Nil	Nil	Nil	7,894
Jason Tian	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Casper Bych (Former Director)	6,000	Nil	Nil	Nil	Nil	Nil	6,000

The following table sets out all option-based awards outstanding at October 31, 2019.

Name	Option-based Awards			
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (mm/dd/yyyy)	Value of unexercised in-the-money options (\$)
Alex Marazzi	100,000	0.20	06/21/2021	25,000
	100,000	0.15	11/22/2022	30,000
Jason Tian	300,000	0.52	01/21/2025	Nil
Casper Bych (Former Director)	200,000	0.10	02/26/2024	70,000

Note:

- (1) The market price for the Common Shares of the Company as at the year ended October 31, 2019 is \$0.45 per Common Share, as determined by tmxmoney.com

***Directors Incentive Plan Awards – Value Vested or Earned During the Year***

The following table shows the incentive plan awards value vested or earned during the financial year ended October 31, 2019, for each director, excluding a director who is set out above in disclosure as a NEO of the Company:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Alex Marazzi	Nil	Nil	Nil
Jason Tian	46,903	Nil	Nil
Casper Bych (Former Director)	31,269	Nil	Nil

Note:

- (1) The market price for the Common Shares of the Corporation as at the October 31, 2018 financial year end was \$0.45 per Common Share, as determined by tmxmoney.com.

***Actions, Policies and Decisions Made following October 31, 2019:***

- On September 11, 2019 the Board approved adoption of a shareholder rights plan (the “**initial rights plan**”), subject to shareholder approval within six months of the date of adoption, which initial rights plan expired on March 11, 2020.
- On January 21, 2020 the Board approved a grant of 6,800,000 options to management, independent directors and consultants of the Company. Options to purchase common shares at \$0.45 each were granted with a range of expiry dates from one year to ten years from the date of grant.

- (c) On January 27, 2020 the Board approve a Change of Auditor to DeVisser Gray LLP effective immediately. See attached Schedule A – Change of Auditor Reporting Package.
- (d) March 11, 2020 the initial rights plan approved for adoption by the Board on September 11, 2019 expired, pursuant to its terms due to the fact that shareholder approval to the initial rights plan had not yet been obtained. Therefore on March 12, 2020 the Board approved a new shareholder rights plan (the “**Rights Plan**”) for adoption by the Company. At the Meeting shareholders will be asked to consider an ordinary resolution to ratify, confirm and approve adoption of the Rights Plan. Subject to shareholder approval, the Rights Plan is to be effective until the close of the Company’s annual general meeting to be held in April 2023. The Rights Plan and approval of same is described in detail under *Particulars of Matters to be Acted upon* below.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Policy 4.4 of the TSXV specifies that all listed issuers must implement a stock option plan. The Company’s current stock option plan was adopted on August 24, 2015 (the “Option Plan”), and is a “rolling” plan as characterized by TSXV policy pursuant to which the aggregate number of Shares reserved for issuance thereunder may not exceed, at the time of grant, in aggregate, 10% of the Company’s issued and outstanding Common Shares from time to time. TSXV policy requires that shareholder approval for continuation of “rolling” stock option plans be obtained annually.

The following table sets forth details with respect to the options granted under the Option Plan as of October 31, 2019:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options, (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	6,220,000	\$0.23	16,183,000
Equity compensation plans not approved by security holders	Nil	N/A	Nil
<b>Total</b>	<b>6,220,000</b>	<b>\$0.23</b>	<b>16,183,000</b>

Note:

- (1) Share issuance pursuant to the Share Option Plan is limited to a rolling maximum of 10% of the issued and outstanding Common Shares from time to time.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Except as herein disclosed, no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out below, none of the persons who were directors or executive officers of the Company or a subsidiary of the Company at any time during the Company’s most recently completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common

shares of the Company, nor any associate or affiliate of any such person, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction during the Company's fiscal year ended October 31, 2019, or has any such interest in any proposed transaction, which has materially affected or would materially affect the Company.

*Exception:* On February 27, 2019 the Company closed a non-brokered private placement for gross proceeds of \$1,783,500. The private placement consisted of 17,835,000 units at \$0.10 each. Each Unit consisted of one Common Share and one transferable share purchase warrant, with each whole warrant exercisable into one additional Common Share for a period of 3 years from the date of issue at a price of \$0.16 each. The Company compensated finders by cash of \$62,136 and 621,360 warrants in connection with the private placement. Howard Vericco participated in this private placement for 960,000 Units.

## **MANAGEMENT CONTRACTS**

The business of the Company is managed by its directors and officers and the Company has no management agreements with persons who are not officers or directors of the Company.

## **CORPORATE GOVERNANCE**

### **General**

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board of the Company is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "CSA") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), which prescribes certain disclosure by the Company of its corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

### **Board of Directors**

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the Board's view, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board facilitates its independent supervision over management by oversight of management by its independent directors. The independent members of the Board, as of the date hereof, are: Dr. Alex Marazzi and Jason Tian. Dr. Howard Verrico, Christopher Hopton and Dr. Géraldine Deliencourt-Godefroy are not independent as they are executive officers of the Company.

The mandate of the Board is to manage corporate governance matters pertaining to the business and affairs of the Company. In fulfilling its mandate, the Board as a whole oversees the development and application of policies regarding corporate governance, deals with corporate governance issues, and is responsible for:

- a) adopting a strategic planning process for the Company;
- b) understanding the principal risks of the Company's business and ensuring the implementation of the appropriate systems to manage these risks;
- c) succession planning for the Company, including identifying, appointing, training and monitoring senior management;

- d) overseeing the integrity of the Company's internal controls and management information systems; and
- e) maintaining a continuing dialogue with management in order to ensure the ability to respond to changes, both internal and external, which may affect the Company and its business operations from time to time.

In carrying out its mandate, the Board holds regular meetings, and has established two committees with specific responsibilities, from its members. The frequency of meetings, as well as the nature of the matters dealt with, will vary from year to year depending on the state of the Company's business and the opportunities or risks, which the Company faces from time to time.

### **Directorships**

Certain of the directors and officers currently serve as directors and officers of other companies, all of which are private companies. Some of the directors and officers may be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers may be serving another corporation with interests that could be in conflict with the Company. In the event of any conflicts of interest, such conflicts must be disclosed to the Company and dealt with in accordance with the provisions of the BCBCA.

### **Orientation and Continuing Education**

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's business and on the responsibilities of directors. Board meetings may also include presentations by the Company's management to give the directors additional insight into the Company's business.

### **Ethical Business Conduct**

The Board relies on the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation and securities laws to promote a culture of ethical business conduct.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

### **Board Committees**

The Board has established only two committees: an audit committee and a compensation committee, to perform certain advisory functions to make recommendations and to report to the Board. A brief description of these committees, and their respective mandates, is set forth below. The audit committee is described more definitively under "*Audit Committee and Relationship with Auditor*" above, and the compensation committee is described in more detail under "*Executive Compensation*" above.

#### **Audit Committee**

Two of the three current members of the audit committee are independent directors, namely: Jason Tian and Dr. Alex Marazzi. Dr. Howard Verrico is not independent as he is also the CEO of the Company. The audit committee reviews the annual and quarterly financial statements of the Company and certain other public disclosure documents required by regulatory authorities and makes recommendations to the Board with respect thereto. The audit committee also reviews with the auditors and management the adequacy of the Company's financial reporting and internal control procedures to ensure they are effective and appropriate.

#### **Compensation Committee**

Jason Tian is an independent member of the Compensation Committee, while Dr. Howard Verrico and Christopher Hopton are not independent. Dr. Verrico is the CEO and Mr. Hopton is the CFO of the Company. The compensation committee reviews the Company's compensation policies and practices, compensation of senior

management and succession planning, reviews the Company's corporate governance practices and makes recommendations to the Board.

### **Assessments**

The Board conducts an annual Board Effectiveness Survey of the Company's Directors to assess the effectiveness of the Board's function.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees. The Audit Committee will annually review the Audit Committee Charter and recommend revisions to the Board as necessary. The Company feels its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's method of corporate governance allows the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Annual Ratification of the Stock Option Plan**

Policy 4.4 of the TSX Venture Exchange (the "Exchange") specifies that all listed issuers must implement a stock option plan. The Company's current stock option plan, which was adopted on August 24, 2015 (the "Option Plan"), and is a "rolling" plan as characterized by Exchange policy, pursuant to which the aggregate number of Common Shares reserved for issuance thereunder may not exceed, at the time of grant, in aggregate 10% of the Company's issued and outstanding Common Shares from time to time.

To comply with Exchange policies covering "rolling" option plans, the shareholders of the Company must approve continued option grants under the Option Plan annually. At the Meeting, shareholders will be asked to ratify and approve the Plan for continuation until the next annual general meeting of the Company.

As at March 20, 2020, there were 226,209,320 Common Shares issued and outstanding. Accordingly, under the Plan the Company has the authority to grant options to purchase up to 22,630,932 Common Shares. At the date of this Circular there were options to purchase 12,580,000 Common Shares outstanding under the Plan and options to purchase 10,050,932 Common Shares remained available for grant.

### **Particulars of the Option Plan**

The following is a summary of the principal terms of the Option Plan.

The Option Plan provides that stock options may be granted to directors, senior officers, employees and consultants of the Company (and any subsidiary of the Company) and management company employees. For the purposes of the Option Plan, the terms "employees", "consultants" and "management company employees" have the meanings set out in Exchange Policy 4.4. In addition, the term "director" is defined in Exchange Policy 4.4 to include directors, senior officers and management company employees.

Under the Option Plan, the Company's Board of Directors may, from time to time, designate a director or other senior officer or employee of the Company as administrator (the "Administrator") for the purposes of administering the Option Plan. The Administrator is Mr. Christopher Hopton.

The Option Plan provides for the issuance of stock options to acquire at any time up to a maximum of 10% of the issued and outstanding Shares of the Company (subject to standard anti-dilution adjustments). If a stock option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares reserved for issuance under that expired or terminated stock option will again be available for the purposes of the Option Plan. Any stock option outstanding when the Option Plan is terminated will remain in effect until it is exercised or it expires.

The Option Plan provides that it is solely within the discretion of the Board to determine who should receive stock options and in what amounts, subject to the following conditions:

- a) options will be non-assignable and non-transferable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death;
- b) options may be exercisable for a maximum of ten years from the date of grant;
- c) options to acquire no more than 5% of the issued shares of the Company may be granted to any one person (including companies wholly-owned by such person) in any 12 month period;
- d) options to acquire no more than 2% of the issued shares of the Company may be granted to any one consultant in any 12 month period;
- e) options to acquire no more than an aggregate of 2% of the issued shares of the Company may be granted to an employee conducting Investor Relations Activities (as defined in Exchange Policy 1.1), in any 12 month period;
- f) at no time will options be issued which could permit at any time the aggregate number of shares reserved for issuance under stock options granted to insiders (as a group) at any point in time exceeding 10% of the issued shares;
- g) at no time will options be issued which could permit at any time the grant to insiders (as a group), within a 12 month period, of an aggregate number of options exceeding 10% of the issued shares calculated at the date an option is granted to any insider;
- h) options held by an option holder who is a director, employee, consultant or management company employee must expire within one year after the option holder ceases to be a director, employee, consultant or management company employee, which time period the Company determines is reasonable;
- i) options held by an option holder who is engaged in Investor Relations Activities must expire within 30 days after the option holder ceases to be employed by the Company to provide Investor Relations Activities; and
- j) in the event of an option holder's death, the option holder's personal representative may exercise any portion of the option holder's vested outstanding options for a period of one year following the option holder's death.

The Option Plan provides that other terms and conditions may be attached to a particular stock option, such terms and conditions to be referred to the option certificate or in a schedule attached to the option certificate. Stock options granted to directors, senior officers, employees or consultants vest when granted unless otherwise determined by the Board on a case-by-case basis. Stock options granted to consultants performing Investor Relations Activities will vest in stages over 12 months with no more than  $\frac{1}{4}$  of the options vesting in any three-month period.

In addition, under the Option Plan a stock option will expire immediately in the event a director or senior officer ceases to be a director or senior officer of the Company as a result of:

- a) ceasing to meet the qualifications under the Act;
- b) the passing of a special resolution by the shareholders; or
- c) an order made by a regulatory authority.

A stock option will also expire immediately in the event an employee ceases to be an employee as a result of termination for cause or an employee or consultant ceases to be an employee or consultant as a result of an order made by a regulatory authority.

The price at which an option holder may purchase a Common Share upon exercise of a stock option will be as set forth in the option certificate issued in respect of such option and, in any event, will not be less than the discounted market price of the Common Shares as of the date of grant of the stock option (the "Award Date"). The market price of the Common Shares for a particular Award Date will typically be the closing trading price of the Common Shares on the day immediately preceding the Award Date, or otherwise in accordance with the terms of the Option Plan. Discounted market price means the market price less a discount of up to 25% if the market price is \$0.50 or

less; up to 20% if the market price is between \$2.00 and \$0.51; and up to 15% if the market price is greater than \$2.00.

In no case will a stock option be exercisable at a price less than the minimum prescribed by the organized trading facility or the applicable regulatory authorities that would apply to the award of the stock option in question.

The Option Plan also provides that: (a) disinterested shareholder approval will be obtained for any reduction in the exercise price of an option held by an insider of the Company; and (b) options cannot be granted to employees, consultants or management company employees that are not bona fide employees, consultants or management company employees, as the case may be.

Common Shares will not be issued pursuant to stock options granted under the Option Plan until they have been fully paid for by the option holder.

**Shareholders may review a copy of the Option Plan at the Company's office during normal business hours until the date of the Meeting and at the Meeting itself. Shareholders may also request a copy of the Option Plan by contacting the Company at the address or telephone number on the first page of this Information Circular or on the Notice of Meeting.**

### **Proposed Resolution and Board Recommendation**

The Option Plan complies with the current policies of the TSXV and is subject to TSXV acceptance. In order to obtain TSXV acceptance, the TSXV requires that the Company's shareholders approve the Option Plan annually.

Accordingly, shareholders will be asked to consider and, if thought fit, to pass the following ordinary resolution:

“RESOLVED, as an ordinary resolution, that:

1. the Company's stock option plan adopted August 24, 2015 (the “Option Plan”) be and is hereby ratified, confirmed, authorized and approved for continuation;
2. the reservation under the Option Plan of up to a maximum of 10% of the issued Common Shares of the Company, on a rolling basis, as at the time of grant of the stock option pursuant to the Option Plan be and the same is hereby authorized and approved;
3. the Board is authorized to make such amendments to the Option Plan from time to time as the Board may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Option Plan, the shareholders; and
4. any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents, agreements and instruments, and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the doing of any such act or thing.”

The above resolution must be passed by a majority of the votes cast by those shareholders, who being entitled to do so, vote in person or by proxy in respect of the resolution at the Meeting. **The Board of Directors recommends that shareholders vote in favour of the above resolution. In the absence of contrary instructions, the persons named in the form of proxy intend to vote FOR the foregoing ordinary resolution at the Meeting.**

### **Ratification of Shareholder Rights Plan Agreement**

The Company initially adopted a shareholder rights plan agreement (the “initial rights plan”) pursuant to the shareholder rights plan agreement between the Company and Computershare, as rights agent, dated September 11, 2019, which expired pursuant to the terms of the initial rights plan on March 11, 2020 due to the fact that the Company did not obtain shareholder ratification and approval of the initial rights plan within six months of the date of its adoption. Accordingly, as the initial rights plan expired on March 11, 2020 the Board approved adoption of

the Shareholder Rights Plan Agreement (the “**Rights Plan**”) between the Company and Computershare, as rights agent, dated March 12, 2020. At the Meeting, the Company will seek Shareholder approval to ratify, confirm and approve the Rights Plan for a three-year period.

The Rights Plan will be presented at the Meeting for shareholder approval by ordinary resolution (the “**Shareholder Rights Plan Resolution**”). Approval of the Rights Plan for the next three years is not requested in response to, or in anticipation of, any pending, threatened or proposed acquisition or take-over bid that is known to management of the Company. Shareholder approval of the Rights Plan is also not intended as a means to prevent a take-over of the Company, to secure the continuance of management or the Board in their respective offices, or to deter fair offers for the Common Shares.

Unless otherwise defined below, all capitalized terms shall have the meanings specified in the Rights Plan.

Pursuant to its terms, the Rights Plan will expire on the same business day as, and at termination of, the Meeting, unless it is ratified, confirmed and approved by the Shareholders in accordance with its provisions. Management of the Company has reviewed the terms of the Rights Plan for conformity with current Canadian securities laws and has determined the Rights Plan is in compliance with the CSA take-over bid rules.

The Board determined that it is appropriate and in the best interests of the Shareholders that the Rights Plan be approved for a term of three years. A summary of the principal terms of the Rights Plan is set forth below. The summary is qualified in its entirety by reference to the complete text of the Rights Plan, a copy of which is available upon request from the Company at Suite 1600, 595 Burrard Street, Vancouver, BC V7X 1L3 (tel: 604-641-4466 / fax 604-608-5471), or can be viewed together with the meeting proxy materials under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

#### *Purpose of the Shareholder Rights Plan*

Shareholder approval of the Rights Plan for the next three years is not being proposed in response to, or in anticipation of, any pending, threatened or proposed acquisition or take-over bid that is known to management of the Company. The proposed ratification and approval of the Rights Plan is not intended as a means to prevent a take-over of the Company, to secure the continuance of management or the Board in their respective offices, or to deter fair offers for the Common Shares.

Unless otherwise defined below, all capitalized terms have the meaning specified in the Rights Plan.

Pursuant to its terms, the Rights Plan will expire upon the termination of the Meeting unless it is ratified by Shareholders in accordance with its provisions. Management of the Company has reviewed the terms of the Rights Plan for conformity with current Canadian securities laws, as well as practices of public corporations in Canada. On March 12, 2020 the Board confirmed and approved the Shareholder Rights Plan.

#### *Term*

Provided the Rights Plan is approved at the Meeting, the Rights Plan (unless terminated earlier) will remain in effect until termination of the annual meeting of Shareholders in 2023 unless the term of the Rights Plan is extended beyond such date by resolution of the Shareholders at such meeting.

#### *Issuance of Rights*

One right (a “**Right**”) was issued by the Company pursuant to the Shareholder Rights Plan in respect of each Voting Share outstanding as of the close of business (Vancouver time) (the “**Record Time**”) on the Effective Date, being March 12, 2020. “**Voting Shares**” include the Common Shares and any other shares of the Company entitled to vote generally in the election of all directors. One Right was also issued for each additional Voting Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time, subject to the earlier termination or expiration of the Rights as set out in the Rights Agreement.

As of the Effective Date, the only Voting Shares outstanding were the Common Shares. The issuance of the Rights is not dilutive and will not affect reported earnings or operating cash flow per share until the Rights separate from the underlying Common Shares and become exercisable or until the exercise of the Rights. The issuance of the

Rights does not change the manner in which Shareholders trade their Common Shares.

#### *Certificates and Transferability*

Prior to the Separation Time, the Rights will be evidenced by a legend imprinted on certificates for Common Shares issued after the Record Time. Rights are also attached to Common Shares outstanding on the Effective Date, although share certificates issued prior to the Effective Date will not bear such a legend. Shareholders are not required to return their certificates in order to have the benefit of the Rights. Prior to the Separation Time, Rights will trade together with the Common Shares and will not be exercisable or transferable separately from the Common Shares. From and after the Separation Time, the Rights will become exercisable, will be evidenced by Rights Certificates and will be transferable separately from the Common Shares.

#### *Separation of Rights*

The Rights will become exercisable and begin to trade separately from the associated Common Shares at the “**Separation Time**” which is generally (subject to the ability of the Board to defer the Separation Time) the close of business on the tenth trading day after the earliest to occur of:

- a public announcement that a person or group of affiliated or associated persons or persons acting jointly or in concert has become an “Acquiring Person”, meaning that such person or group has acquired Beneficial Ownership (as defined in the Rights Plan) of 20% or more of the outstanding Voting Shares other than as a result of: (i) a reduction in the number of Voting Shares outstanding; (ii) a “Permitted Bid” or “Competing Permitted Bid” (as defined below); (iii) acquisitions of Voting Shares in respect of which the Board has waived the application of the Rights Agreement; (iv) other specified exempt acquisitions and pro rata acquisitions in which shareholders participate on a pro rata basis; or (v) an acquisition by a person of Voting Shares upon the exercise, conversion or exchange of a security convertible, exercisable or exchangeable into a Voting Share received by a person in the circumstances described in (ii), (iii) or (iv) above;
- the date of commencement of, or the first public announcement of an intention of any person (other than the Company or any of its subsidiaries) to commence a takeover bid (other than a Permitted Bid or a Competing Permitted Bid) where the Voting Shares subject to the bid owned by that person (including affiliates, associates and others acting jointly or in concert therewith) would constitute 20% of more of the outstanding Voting Shares; and
- the date upon which a Permitted Bid or Competing Permitted Bid ceases to qualify as such.

Promptly following the Separation Time, separate certificates evidencing rights (“**Rights Certificates**”) will be mailed to the holders of record of the Voting Shares as of the Separation Time and the Rights Certificates alone will evidence the Rights.

### *Rights Exercise Privilege*

After the Separation Time, each Right entitles the holder thereof to purchase one Common Share at an initial “Exercise Price” equal to three times the “Market Price” at the Separation Time. The Market Price is defined as the average of the daily closing prices per share of such securities on each of the 20 consecutive trading days through and including the trading day immediately preceding the Separation Time. Following a transaction which results in a person becoming an Acquiring Person (a “**Flip-In Event**”), the Rights entitle the holder thereof to receive, upon exercise, such number of Common Shares which have an aggregate Market Price (as of the date of the Flip-In Event) equal to twice the then Exercise Price of the Rights for an amount in cash equal to the Exercise Price. In such event, however, any Rights beneficially owned by an Acquiring Person (including affiliates, associates and other acting jointly or in concert therewith), or a transferee of any such person, will be null and void. A Flip-In Event does not include acquisitions approved by the Board or acquisitions pursuant to a Permitted Bid or Competing Permitted Bid.

### *Permitted Bid Requirements*

A bidder can make a takeover bid and acquire Voting Shares without triggering a Flip-In Event under the Rights Plan if the takeover bid qualifies as a Permitted Bid.

The requirements of a “Permitted Bid” include the following:

- the takeover bid must be made by means of a takeover bid circular;
- the takeover bid is made to all holders of Voting Shares on the books of the Company, other than the offeror;
- no Voting Shares are taken up or paid for pursuant to the takeover bid unless more than 50% of the Voting Shares held by Independent Shareholders: (i) shall have been deposited or tendered pursuant to the take-over bid and not withdrawn; and (ii) have previously been or are taken up at the same time;
- the takeover bid contains an irrevocable and unqualified provision that, no Voting Shares will be taken up or paid for pursuant to the takeover bid prior to the close of business on the date which is not less than 105 days following the date of the takeover bid;
- the takeover bid contains an irrevocable and unqualified provision that, Voting Shares may be deposited pursuant to such takeover bid at any time during the period of time between the date of the takeover bid and the date on which Voting Shares may be taken up and paid for and any Voting Shares deposited pursuant to the takeover bid may be withdrawn until taken up and paid for; and
- the takeover bid contains an irrevocable and unqualified provision that, if on the date on which Voting Shares may be taken up and paid for under the takeover bid, more than 50% of the Voting Shares held by Independent Shareholders have been deposited pursuant to the takeover bid and not withdrawn, the offeror will make public announcement of that fact and the takeover bid will remain open for deposits and tenders of Voting Shares for not less than 10 business days from the date of such public announcement.

The Shareholder Rights Plan also allows for a competing Permitted Bid (a “**Competing Permitted Bid**”) to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all of the requirements of a Permitted Bid and contain an irrevocable and unqualified provision that no Voting Shares will be taken up or paid for pursuant to such takeover bid prior to the close of business on the date that is no earlier than the date on which Voting Shares may be taken up under any Permitted Bid (determined as of the date of making the takeover bid, assuming no amendment or variation to the terms and satisfaction of all conditions to the completion of the Permitted Bid) that preceded the Competing Permitted Bid.

### *Permitted Lock-Up Agreements*

A person will not become an Acquiring Person by virtue of having entered into an agreement (a “**Permitted Lock-Up Agreement**”) with a Shareholder whereby the Shareholder agrees to deposit or tender Voting Shares to a

takeover bid (the “**Lock-Up Bid**”) made by such person, provided that the agreement meets certain requirements including:

- the terms of the agreement are publicly disclosed and a copy of the agreement is publicly available not later than the date of the Lock-Up Bid or, if the Lock-Up Bid has not been made prior to the date on which such agreement is entered into, not later than the first business day following the date of such agreement;
- the holder who has agreed to tender Voting Shares to the Lock-Up Bid made by the other party to the agreement is permitted to terminate its obligation under the agreement, and to terminate any obligation with respect to the voting of such Voting Shares, in order to tender Voting Shares to another takeover bid or to support another transaction where: (i) the offer price or value of the consideration payable under the other takeover bid or transaction is greater than the price or value of the consideration per share at which the holder has agreed to deposit or tender Voting Shares to the Lock-Up Bid, or is greater than a specified minimum which is not more than 7% higher than the price or value of the consideration per share at which the holder has agreed to deposit or tender Voting Shares under the Lock-Up Bid; and (ii) if the number of Voting Shares offered to be purchased under the Lock-Up Bid is less than all of the Voting Shares held by Shareholders (excluding Voting Shares held by the offeror), the number of Voting Shares offered to be purchased under the other takeover bid or transaction (at an offer price not lower than in the Lock-Up Bid) is greater than the number of Voting Shares offered to be purchased under the Lock-Up Bid or is greater than a specified number which is not more than 7% higher than the number of Voting Shares offered to be purchased under the Lock-Up Bid; and
- no break-up fees, top-up fees, or other penalties that exceed in the aggregate the greater of 2.5% of the price or value of the consideration payable under the Lock-Up Bid and 50% of the increase in consideration resulting from another takeover bid or transaction shall be payable by the holder if the holder fails to deposit or tender Voting Shares to the Lock-Up Bid.

#### *Waiver and Redemption*

If a potential offeror does not desire to make a Permitted Bid, it can negotiate with, and obtain the prior approval of, the Board to make a takeover bid by way of a takeover bid circular sent to all holders of Voting Shares on terms which the Board considers fair to all Shareholders. In such circumstances, the Board may waive the application of the Shareholder Rights Plan thereby allowing such bid to proceed without dilution to the offeror. Any waiver of the application of the Shareholder Rights Plan in respect of a particular takeover bid shall also constitute a waiver of any other takeover bid which is made by means of a takeover bid circular to all holders of Voting Shares while the initial takeover bid is outstanding. The Board may also waive the application of the Shareholder Rights Plan in respect of a particular Flip-in Event that has occurred through inadvertence, provided that the Acquiring Person that inadvertently triggered such Flip-in Event reduces its beneficial holdings to less than 20% of the outstanding Voting Shares within 14 days or such earlier or later date as may be specified by the Board. With the prior consent of the holders of Voting Shares, the Board may, prior to the occurrence of a Flip-in Event that would occur by reason of an acquisition of Voting Shares otherwise than pursuant to the foregoing, waive the application of the Shareholder Rights Plan to such Flip-in Event.

The Board may, with the prior consent of the holders of Voting Shares, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.00001 per Right. Rights are deemed to be redeemed following completion of a Permitted Bid, a Competing Permitted Bid or a takeover bid in respect of which the Board has waived the application of the Rights Plan.

#### *Protection against Dilution*

The Exercise Price, the number and nature of securities which may be purchased upon the exercise of Rights and the number of Rights outstanding are subject to adjustment from time to time to prevent dilution in the event of dividends, subdivisions, consolidations, reclassifications or other changes in the outstanding Common Shares, pro rata distributions to holders of Common Shares and other circumstances where adjustments are required to

appropriately protect the interests of the holders of Rights.

#### *Exemptions for Investment Advisors*

Investment advisors (for client accounts), trust companies (acting in their capacity as trustees or administrators), statutory bodies whose business includes the management of funds (for employee benefit plans, pension plans, or insurance plans of various public bodies) and administrators or trustees of registered pension plans or funds acquiring greater than 20% of the Voting Shares are exempted from triggering a Flip-in Event, provided they are not making, either alone or jointly or in concert with any other person, a takeover bid.

#### *Duties of the Board*

The term of the Shareholder Rights Plan will not in any way lessen or affect the duty of the Board to act honestly and in good faith with a view to the best interests of the Company. The Board, when a takeover bid or similar offer is made, will have the duty and power to take such actions and make such recommendations to Shareholders as are considered appropriate.

#### *Amendment*

The Company may make amendments to the Shareholder Rights Plan at any time to correct any clerical or typographical error and may make amendments which may be required to maintain the validity of the Shareholder Rights Plan due to changes in any applicable legislation, regulations or rules. The Company may, with the prior approval of Shareholders (or the holders of Rights if the Separation Time has occurred), supplement, amend, vary, rescind or delete any of the provisions of the Shareholder Rights Plan.

#### *Vote Required and Recommendation of the Board*

Shareholder approval of the Rights Plan is required by the terms of the Rights Plan. At the Meeting, Shareholders will be asked to consider and, if thought advisable, to approve, confirm and ratify the Rights Plan by means of an ordinary resolution (the “**Shareholder Rights Plan Resolution**”) in substantially the following form:

“BE IT **RESOLVED** THAT:

1. The Shareholder Rights Plan approved by the Board on March 12, 2020, is hereby approved, confirmed and ratified.
2. Any director or officer of the Company is hereby authorized and directed, for and on behalf of the Company, to do all things and execute and deliver all such agreements, documents and instruments necessary or desirable in connection with the foregoing.”

**To pass, the Shareholder Rights Plan Resolution must be approved by a simple majority vote of the Common Shares voted in favour, in person or by proxy, on the resolution.**

**The management proxyholders intend to vote FOR the Shareholder Rights Plan Resolution, except in relation to Common Shares held by a Shareholder who instructs otherwise.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company’s comparative financial statements and management discussion and analysis, which are filed on [www.sedar.com](http://www.sedar.com). The Company will provide to any person or company, upon request to the Chief Financial Officer of the Company, one copy of the comparative financial statements of the Company filed with the applicable securities regulatory authorities for the Company’s most recently completed financial year in respect of which such financial statements have been issued, together with the report of the auditor, related management’s discussion and analysis and any interim financial statements of the Company filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements.

Copies of these documents are available without charge to shareholders upon written request to the Company by mail to Suite 1600 - 595 Burrard St., Vancouver, BC V7X 1L3 or by fax (604) 608-5471.

**OTHER MATTERS**

As of the date of this Information Circular, the Board and Management of the Company are not aware of any matters to come before the Meeting other than those matters specifically identified in the accompanying Notice of Meeting. However, if such other matters properly come before the Meeting or any adjournment(s) thereof, the persons designated in the accompanying form of proxy will vote thereon in accordance with their judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

**BOARD APPROVAL**

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of Directors of the Company.

DATED this 30th day of March, 2020

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Howard Verrico, M.D.”*

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Howard Verrico, M.D.  
CEO and Chairman of the Board

## **Schedule A**

### **Change of Auditor Reporting Package**

1. Notice of Change of Auditor
2. Letter from Former Auditor – MNP LLP
3. Letter from Successor Auditor – DeVisser Gray LLP
4. Second Letter from Former Auditor – MNP LLP
5. Second Letter from Successor Auditor – DeVisser Gray LLP

**SIRONA BIOCHEM CORP.**

c/o WeWork, 595 Burrard Street  
Vancouver, British Columbia Canada V7X 1L4  
Telephone: 604.641.4466

(the “Company”)

**NOTICE OF CHANGE OF AUDITOR**

(the “Notice”)

**To: MNP LLP, Chartered Professional Accountants**

**And To: DeVisser Gray LLP, Chartered Professional Accountants**

1. The directors of the Company do not propose to re-appoint MNP LLP, Chartered Professional Accountants, as auditors for the Company; and
2. The directors of the Company propose to appoint DeVisser Gray LLP, Chartered Professional Accountants, as auditors of the Company, effective January 27, 2020, to hold office until the next annual meeting of the Company.

In accordance with National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”), the Company confirms that:

3. MNP LLP, Chartered Professional Accountants, was asked to resign as auditor of the Company, effective January 27, 2020, to facilitate the appointment of DeVisser Gray LLP, Chartered Professional Accountants, Suite 401, 905 West Pender Street, Vancouver, British Columbia, V6C 1L6;
4. MNP LLP, Chartered Professional Accountants, has not expressed any reservation in its report for the two most recently completed fiscal years, being the fiscal years ended October 31, 2018 and October 31, 2017 of the Company, nor for the fiscal period from the most recently completed financial year end for which MNP LLP, Chartered Professional Accountants, issued an audit report in respect of the Company, and the date of this Notice;
5. In the opinion of the Board of Directors of the Company, no “reportable event” as defined in NI 51-102 has occurred in connection with the audits of the most recently completed fiscal year of the Company nor any period from the most recently completed financial period for which MNP LLP, Chartered Professional Accountants, issued an audit report in respect of the Company and the date of this Notice; and
6. The Notice and Auditor’s Letters have been reviewed by the Audit Committee and the Board of Directors.

Dated as of the 27<sup>th</sup> day of January, 2020.

**SIRONA BIOCHEM CORP.**



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Christopher Hopton,  
Chief Financial Officer

January 27, 2020

Sirona Biochem Corp.  
c/o WeWork, 595 Burrard Street  
Vancouver, BC V7X 1L4

Dear Sirs/Mesdames:

We hereby submit our resignation as auditor of SIRONA BIOCHEM CORP. (the "Company") to be made effective January 27, 2020. No reportable event, as defined in National Instrument - 51-102 Continuous Disclosure Obligations, has arisen from our engagement as auditor of the Company.

Yours very truly,



Jenny Lee, CPA, CA  
Assurance Partner

January 27, 2020

Sirona Biochem Corp.  
c/o WeWork, 595 Burrard Street  
Vancouver, BC V7X 1L4

Dear Sirs/Mesdames:

We hereby submit our acceptance to become official auditor of Sirona Biochem Corp., effective January 27, 2020.

Yours truly,

*De Visser Gray LLP*

**DE VISSER GRAY LLP**

January 27, 2020

VIA SEDAR

To: **British Columbia Securities Commission**  
**Alberta Securities Commission**  
**Ontario Securities Commission**

Re: **Sirona Biochem Corp. (the “Company”)**  
**Notice Pursuant to National Instrument 51-102 – Change of Auditor (“Notice”)**

As required by National Instrument 51-102, we have reviewed the information contained in the notice dated January 27, 2020 given by the Company to ourselves and DeVisser Gray LLP Chartered Professional Accountants.

In reference to the Notice of Change of Auditor, we wish to advise the relevant securities commissions that we have read the Notice and, based on our knowledge as at the time of receipt of the Notice that we agree with the comments within the Notice.

Yours very truly,



**MNP LLP**  
**Chartered Professional Accountants**

January 29, 2020

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, B.C. V7Y 1L2

-and to-

Alberta Securities Commission  
Suite 600, 250 – 5<sup>th</sup> St. SW  
Calgary, Alberta T2P 0R4

-and to-

Ontario Securities Commission  
20 Queen Street West  
20th Floor  
Toronto ON, M5H 3S8

-and to-

TSX Venture Exchange Inc.  
10<sup>th</sup> Floor, 300 - 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3C4

Dear Sirs and Mesdames:

**Re: Sirona Biochem Corp. (the “Company”)  
Notice Pursuant to National Instrument 51-102 – Change of Auditor**

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This letter is being delivered to you pursuant to National Instrument 51-102 of the Canadian Securities Administration (“NI-102”) in connection with the resignation of MNP LLP, Chartered Professional Accountants (“MNP”), from the office of the auditor of the Company and the appointment of De Visser Gray LLP, Chartered Professional Accountants (“De Visser”), as the successor to MNP as auditor of the Company effective January 27, 2020.

As required by NI 51-102, we have reviewed the information contained in the Notice of Change of Auditor dated January 27, 2020 (the “Notice”) prepared by the Company. Based upon our knowledge as at the date hereof, we hereby confirm that we are in agreement with the statements contained in the Notice that relate to us and that we have no basis to agree or disagree with the statement contained in the Notice that relate to MNP LLP, Chartered Professional Accountants.

Yours truly,



**CHARTERED PROFESSIONAL ACCOUNTANTS**



