



**NOTICE OF ANNUAL AND SPECIAL MEETING
OF THE SHAREHOLDERS OF
HEMOSTEMIX INC.**

to be held on September 26, 2018

and

MANAGEMENT INFORMATION CIRCULAR

August 22, 2018

Unless otherwise stated, the information herein is current as at August 22, 2018

TABLE OF CONTENTS

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTES TO READER	3
INTRODUCTION	3
INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR	3
SOLICITATION OF PROXIES BY MANAGEMENT	3
APPOINTMENT AND REVOCATION OF PROXIES	4
NOTICE TO BENEFICIAL SHAREHOLDERS	4
VOTING OF PROXIES	5
RECORD DATE	5
SIGNATURE OF PROXY	5
VOTING OF PROXIES	6
EXERCISE OF DISCRETION OF PROXY.....	6
INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON	6
VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES	6
VOTES NECESSARY TO PASS RESOLUTIONS	7
DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION	7
NAMED EXECUTIVE OFFICERS.....	7
DIRECTOR AND NEO COMPENSATION, EXCLUDING COMPENSATION SECURITIES	8
EXTERNAL MANAGEMENT COMPANIES.....	10
STOCK OPTIONS AND OTHER COMPENSATION SECURITIES.....	10
EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOS.....	12
STOCK OPTION PLANS AND OTHER INCENTIVE PLANS	12
EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS	12
OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NEO COMPENSATION	15
AUDIT COMMITTEE	18
AUDIT COMMITTEE CHARTER.....	18
COMPOSITION OF THE AUDIT COMMITTEE.....	18
RELEVANT EDUCATION AND EXPERIENCE.....	18
AUDIT COMMITTEE OVERSIGHT	20
RELIANCE ON CERTAIN EXEMPTIONS	20
PRE-APPROVAL POLICIES AND PROCEDURES.....	20
EXTERNAL AUDIT SERVICE FEES (BY CATEGORY).....	20
EXEMPTION	20
CORPORATE GOVERNANCE	20
BOARD OF DIRECTORS.....	20
DIRECTORSHIPS	21
ORIENTATION AND CONTINUING EDUCATION	21
ETHICAL BUSINESS CONDUCT	21
NOMINATION OF DIRECTORS	21
COMPENSATION	22
OTHER BOARD COMMITTEES.....	22
ASSESSMENTS.....	22
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	22
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	23

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS.....	23
MANAGEMENT CONTRACTS.....	24
PARTICULARS OF MATTERS TO BE ACTED UPON.....	26
FINANCIAL STATEMENTS.....	26
FIX THE NUMBER OF DIRECTORS.....	26
ELECTION OF DIRECTORS	26
APPOINTMENT OF AUDITOR.....	31
ANNUAL APPROVAL OF THE OPTION PLAN.....	31
OTHER MATTERS TO BE ACTED UPON	33
ADDITIONAL INFORMATION	33

HEMOSTEMIX INC.
Suite 1049, 150 – 9th Avenue S.W.
Calgary, Alberta T2P 3H9

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON SEPTEMBER 26, 2018

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Shares**") in the capital of Hemostemix Inc. (the "**Corporation**") will be held at 4500 Bankers Hall East, 855 - 2nd Street S.W., Calgary, Alberta, T2P 4K7 in the Jones Room, at 2:00 p.m. (Calgary time) on Wednesday, September 26, 2018, for the following purposes:

1. to receive the audited consolidated comparative financial statements of the Corporation for the years ended December 31, 2017 and 2016, together with the auditors' report thereon;
2. to fix the size of the board of directors of the Corporation (the "**Board**") at three (3);
3. to elect the members of the Board for the ensuing year;
4. to reappoint MNP LLP, Chartered Accountants, as the auditors of the Corporation and to authorize the Board to fix the auditors' remuneration;
5. to consider and, if thought advisable, to approve, with or without amendment, an ordinary resolution, the full text of which is set out in the accompanying management information circular of Hemostemix dated August 22, 2018 (together with this Notice of Meeting, the "**Information Circular**"), approving the rolling stock option plan of Hemostemix, all as more particularly described below and in the Information Circular; and
6. to transact such other business as may properly be brought before the Meeting or any postponement(s) or adjournment(s) thereof.

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

The record date (the "**Record Date**") for determining the Shareholders entitled to receive notice of and to vote at the Meeting is August 22, 2018. Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting. **To the extent a Shareholder transfers the ownership of any of its Shares after the Record Date and the transferee of those Shares establishes that it owns such Shares and requests, at least 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting or any postponement(s) or adjournment(s) thereof.**

A Shareholder may attend the Meeting in person or by proxy. Shareholders who are unable to attend the Meeting or any postponement(s) or adjournment(s) thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any postponement(s) or adjournment(s) thereof. If you are not a registered Shareholder and receive these materials through a broker or other intermediary (or an agent or nominee thereof), please complete and return the form of proxy in accordance with the instructions provided to you by such broker or other intermediary (or an agent or nominee thereof).

To be effective, the proxy must be received by Computershare Trust Company of Canada, the registrar and transfer agent of the Corporation, at Suite 600, 530 – 8th Avenue SW, Calgary, Alberta, T2P 3S8. In order to be valid and acted upon at the Meeting, proxies must be received not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in Calgary, Alberta) before the time for holding the Meeting or any postponement(s) or adjournment(s) thereof.

The form of proxy confers discretionary authority with respect to: (a) amendments or variations to the matters of business to be considered at the Meeting; and (b) other matters that may properly come before the Meeting. As at the date hereof, management of the Corporation knows of no amendments, variations or other matters to come before the Meeting other than the matters set out in this Notice of Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review the Information Circular carefully before submitting the form of proxy.

Dated at the City of Calgary, in the Province of Alberta, as of this 22nd day of August, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Angus H. Jenkins*"

Angus H. Jenkins
Chair of the Board of Directors
Hemostemix Inc.

**HEMOSTEMIX INC.
MANAGEMENT INFORMATION CIRCULAR**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
SEPTEMBER 26, 2018**

NOTES TO READER

Introduction

This management information circular dated as of August 22, 2018 (this "**Information Circular**") is furnished in connection with the solicitation of proxies by and on behalf of the management of Hemostemix Inc. ("**Hemostemix**" or the "**Corporation**") for use at the annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Shares**") in the capital of the Corporation to be held at 4500 Bankers Hall East, 855 - 2nd Street S.W., Calgary, Alberta, T2P 4K7 in the Jones Room, at 2:00 p.m. (Calgary time) on Wednesday, September 26, 2018 or at any postponement(s) or adjournment(s) thereof, for the purposes set forth in the Notice of Meeting accompanying this Information Circular.

The Notice of Meeting, this Information Circular and the accompanying form of proxy are being mailed or delivered on or about September 26, 2018 to Shareholders of record as at August 22, 2018 (the "**Record Date**"). Unless otherwise specified, all dollar amounts in this Information Circular are expressed in Canadian dollars.

No person has been authorized to give any information or make any representation in connection with the matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

Information contained or otherwise accessed through Hemostemix's website does not constitute part of this Information Circular.

Information Contained in this Information Circular

The information contained in this Information Circular is given as at August 22, 2018 except where otherwise noted.

This Information Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation.

Shareholders should not construe the contents of this Information Circular as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Information Circular.

If you hold Shares through a broker or other intermediary (or an agent or nominee thereof), including, without limitation, banks, trust companies, securities dealers or brokers and trustees, or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans or tax free savings accounts and similar plans (each, an "**Intermediary**"), you should contact your Intermediary for instructions and assistance in voting your Shares that you beneficially own.

SOLICITATION OF PROXIES BY MANAGEMENT

Accompanying this Information Circular is a form of proxy for use at the Meeting. Shareholders are entitled to vote and are encouraged to participate in the Meeting.

This solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Notice of Meeting, form of proxy and this Information Circular will be borne by the Corporation. In

addition to the mailing of these materials, proxies may be solicited by personal interviews or telephone by directors and officers of the Corporation, who will not be remunerated therefor.

The information set out below generally applies to registered holders of Shares ("**Registered Holders**"). If you are a beneficial shareholder of Shares (*i.e.*, your Shares are held through an Intermediary), see "*Management Information Circular – Notice to Beneficial Shareholders*" in this Information Circular.

APPOINTMENT AND REVOCATION OF PROXIES

Accompanying this Information Circular is a form of proxy for holders of Shares. The persons named in the accompanying form of proxy are directors and/or officers of Hemostemix and have indicated their willingness to represent as proxy the Shareholders who appoint them. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to represent such Shareholder at the Meeting other than the persons designated in the form of proxy accompanying this Information Circular either by inserting such person's name in the blank space provided in the form of proxy or by completing another form of proxy.**

A form of proxy will only be valid if it is duly completed, signed and delivered to the offices of Computershare Trust Company of Canada, the registrar and transfer agent of Hemostemix, at Suite 600, 530 – 8th Avenue SW, Calgary, Alberta, T2P 3S8. **If you are not a registered Shareholder and receive these materials through an Intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by such Intermediary.**

In order to be valid and acted upon at the Meeting, proxies must be received not later than 2:00 p.m. (Calgary time) on Monday, September 24, 2018 or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in Calgary) before the time for holding the Meeting or any postponement(s) or adjournment(s) thereof. Failure to so deposit a form of proxy will result in its invalidation. Notwithstanding the foregoing, the chair of the Meeting has the discretion to accept proxies received after such deadline.

In addition to revocation by any other manner permitted by law, a Shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by such Shareholder or by its attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited at the with the Secretary of the Corporation, at any time up to and including the last business day preceding the day of the Meeting, or any postponement(s) or adjournment(s) thereof, at which the proxy is to be used, or with the chair of the Meeting on the day of the Meeting or any postponement(s) or adjournment(s) thereof.

NOTICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Shares in their own name. Beneficial Shareholders should note that only those Shareholders whose names appear on the register of the registrar and transfer agent for Hemostemix as Registered Holders or duly appointed proxyholders are recognized and permitted to vote at the Meeting. Many Shareholders are "non-registered" shareholders because the Shares they own are not registered in their names but are instead registered in the names of Intermediaries through which they hold their Shares. More particularly, a person is not a Registered Holder of Shares if such Shares are held on behalf of that person (the "**Beneficial Shareholder**") and are registered either: (a) in the name of an Intermediary that the Beneficial Shareholder deals with in respect of the Shares; or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In Canada, the vast majority of shares are registered in the name of CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms. Shares so held by Intermediaries can only be voted (for or against resolutions) upon the instructions of Beneficial Shareholders. Without specific instructions, Intermediaries are prohibited from voting Shares held for Beneficial Shareholders. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person or that the Shares are duly registered in their name.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. Often, the voting instruction form supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided to Registered Holders; however, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails the form to Beneficial Shareholders and asks Beneficial Shareholders to return the form to Broadridge, or otherwise communicate voting instructions to Beneficial Shareholders (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted. If you have any questions respecting the voting of Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

In accordance with the requirements of the Canadian Securities Administrators, Hemostemix will have distributed copies of the Notice of Meeting, this Information Circular and the accompanying form of proxy (collectively, the "**Meeting Materials**") to Intermediaries for distribution to applicable Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Beneficial Shareholders. Hemostemix will not send proxy-related materials directly to non-objecting or objecting Beneficial Shareholders; however, such materials will be delivered to Beneficial Shareholders by Broadridge or through Beneficial Shareholders' Intermediaries. Hemostemix will pay the reasonable fees and costs of Broadridge or a Beneficial Shareholder's Intermediary to deliver the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to objecting Beneficial Shareholders.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of its Intermediary, it may attend the Meeting as a proxyholder for the Registered Holder and vote its Shares in that capacity. **Should a Beneficial Shareholder wish to vote at the Meeting in person, it should enter its own name in the blank space on the form of proxy provided to the Beneficial Shareholder and return the document to its Intermediary in accordance with the instructions provided by such Intermediary well in advance of the Meeting.**

VOTING OF PROXIES

Record Date

The Record Date for determining the Shareholders entitled to receive notice of and to vote at the Meeting is August 22, 2018. Only Shareholders whose names have been entered in the register of Shareholders on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting. **To the extent a Shareholder transfers the ownership of any of its Shares after the Record Date and the transferee of those Shares establishes that it owns such Shares and requests, at least 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting or any postponement(s) or adjournment(s) thereof.**

Signature of Proxy

The form of proxy accompanying this Information Circular must be executed by the Shareholder or its attorney duly authorized in writing, or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized. A proxy signed by a person acting as attorney or in some other representative capacity should reflect such person's capacity following its signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with Hemostemix).

Voting of Proxies

The Shares represented by the form of proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, then the Shares will be voted accordingly. **In the absence of such instructions, the Shares will be voted for the approval of all matters identified in the Notice of Meeting accompanying this Information Circular.**

Exercise of Discretion of Proxy

The accompanying form of proxy confers discretionary authority upon the persons named with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. The Shares represented by the proxy will be voted on such matters in accordance with the best judgment of the person voting such Shares. At the date of this Information Circular, management of Hemostemix knows of no amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Information Circular. Shareholders who are planning on returning the form of proxy accompanying this Information Circular are encouraged to review this Information Circular carefully before submitting the form of proxy.

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

Management of the Corporation is not aware of any material interest, whether direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, of any director or executive officer of the Corporation who has held that position at any time since the beginning of the Corporation's last financial year, or of any proposed nominee for election as director of the Corporation or any associate or affiliate of any of the foregoing except as specifically provided herein. For further particulars in respect of any such matters, see under the headings "*Director and Named Executive Officer Compensation*", "*Interest of Informed Persons in Material Transactions*", "*Management Contracts*" and "*Particulars of Matters to be Acted Upon*".

The present directors and officers of the Corporation together with the other management nominees for the board of directors of the Corporation (the "**Board**") and their associates and affiliates own beneficially, directly or indirectly, or exercise control or direction over, an aggregate of approximately 8,391,333 Shares (representing approximately 2.79% of the issued and outstanding Shares) as at the Record Date.

The directors and officers of the Corporation together with the other management nominees for the Board and their associates and affiliates have agreed to vote all Shares beneficially owned by them in favour of the matters to be considered at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Corporation is authorized to issue an unlimited number of Shares. As at August 22, 2018, 300,699,154 Shares were issued and outstanding. On all matters to be considered and acted upon at the Meeting, holders of Shares are entitled to one vote for each Share held.

The Record Date for determining the Shareholders entitled to receive notice of and to vote at the Meeting is August 22, 2018. Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting. **To the extent a Shareholder transfers the ownership of any of its Shares after the Record Date and the transferee of those Shares establishes that it owns such Shares and requests, at least 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting or any postponement(s) or adjournment(s) thereof.**

To the knowledge of the directors and executive officers of the Corporation, as at the Record Date, no person or company beneficially owns, or controls or directs, directly or indirectly, Shares carrying 10% or more of the votes which may be cast at the Meeting except as set out in the table below:

Name	Type of Ownership	Number and Percentage of Shares owned, controlled or directed ⁽¹⁾
Wood Capital Ltd.	Direct	88,000,000 (29.27%)

Note:

(1) The majority of the outstanding Shares are registered in the name of CDS & Co. Inc., which holds Shares on behalf of the majority of the beneficial shareholders of the Corporation.

The above information, not being within the knowledge of the Corporation, has been derived from information provided by such person or from public sources available to the Corporation.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. A special resolution is a resolution passed by at least two-thirds of the votes cast on the resolution. If there are more nominees for election as directors or appointment of the Corporation'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.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Named Executive Officers

In this section, "**named executive officer**" or "**NEO**" means each Chief Executive Officer ("**CEO**"), each Chief Financial Officer ("**CFO**") and the most highly compensated executive officers, other than the CEO and the CFO, who were serving as executive officers at December 31, 2017 and whose total compensation exceeded \$150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as a NEO at December 31, 2017.

The Corporation's named executive officers for the year ended December 31, 2017 were:

- (a) Kyle Makofka, President and CEO, CRO
- (b) Dr. Ravi Jain, Chief Scientific Officer ("**CSO**")
- (c) David Berman, CFO (*resigned on April 30, 2018*)
- (d) Dr. Elmar Burchardt, CEO (*resigned effective January 25, 2017*)

Effective January 25, 2017, Mr. Kyle Makofka was appointed as Chief Restructuring Officer ("**CRO**") of the Corporation, and Dr. Elmar Burchardt resigned as the President and CEO of the Corporation with effect as of January 25, 2017. Effective November 30, 2017, Mr. Makofka transitioned from the role of CRO to President and CEO of the Corporation. Effective April 30, 2018, Ms. Kristin Gulka was appointed as CFO of the Corporation and Mr. David Berman resigned as CFO with effect as of April 30, 2018. Dr. Ravi Jain was appointed CSO effective November 30, 2017.

As of the date of this Information Circular, the executive officers of the Corporation are as follows:

- (a) Kyle Makofka – President and CEO
- (b) Kristin Gulka – CFO
- (c) Dr. Ravi Jain – CSO

Director and NEO Compensation, excluding Compensation Securities

The following table discloses all compensation for each of the two most recently completed financial years, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary thereof, to each NEO and director, in any capacity, including for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given, or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Corporation or a subsidiary thereof

Table of Compensation excluding Compensation Securities							
Name and Position	Financial Year ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Kyle Makofka <i>President and CEO</i> ⁽¹⁾	2017	\$105,760 ⁽²⁾	Nil ⁽²⁾	Nil ⁽²⁾	Nil ⁽²⁾	Nil ⁽²⁾	\$105,760 ⁽²⁾
Dr. Elmar Burchardt <i>Former President and CEO</i> ⁽³⁾	2017 2016	Nil ⁽⁴⁾ \$139,824 ⁽⁴⁾	Nil Nil	Nil Nil	Nil Nil	Nil ⁽⁴⁾ \$36,260 ^{(4) (5)}	Nil ⁽⁴⁾ \$176,084 ⁽⁴⁾
David Berman <i>Former CFO</i> ⁽⁶⁾	2017 2016	\$79,940 \$72,100	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$79,940 \$72,100
Dr. Ravi Jain <i>CSO</i> ⁽⁷⁾	2017	\$250,900 ⁽⁴⁾⁽⁸⁾	Nil ⁽⁴⁾⁽⁸⁾	Nil ⁽⁴⁾⁽⁸⁾	Nil ⁽⁴⁾⁽⁸⁾	Nil ⁽⁴⁾⁽⁸⁾	\$250,900 ⁽⁴⁾⁽⁸⁾
Angus H. Jenkins <i>Chair of the Board</i> ⁽⁹⁾ and <i>Director</i> ⁽¹⁰⁾	2017 2016	Nil Nil ⁽¹¹⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil ⁽¹¹⁾
David L. Wood <i>Director</i> ⁽¹²⁾	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Donald E. Friesen <i>Director</i> ⁽¹³⁾	2017	Nil	Nil	Nil	Nil	Nil	Nil
Victor M. Redekop <i>Former Interim Chairman</i> ⁽¹⁴⁾ and <i>Director</i> ⁽¹⁵⁾	2016	Nil	Nil	Nil	Nil	Nil	Nil

Table of Compensation excluding Compensation Securities							
Name and Position	Financial Year ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Robert L. (Lee) Buckler <i>Former Director</i> ⁽¹⁶⁾	2016	Nil	Nil	Nil	Nil	Nil	Nil
Robert J. Bard <i>Former Director</i> ⁽¹⁷⁾	2016	\$18,150 ⁽⁴⁾	Nil	Nil	Nil	Nil	\$18,150 ⁽⁴⁾
Charles W. (Bill) Baker <i>Former Chair of the Board, Corporate Secretary</i> ⁽¹⁸⁾ <i>and Director</i> ⁽¹⁹⁾	2016	Nil	Nil	Nil	Nil	Nil	Nil
James (Jim) Brown <i>Former Director</i> ⁽²⁰⁾	2016	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Makofka was appointed CRO of the Corporation pursuant to the Management Agreement (as described herein) effective January 25, 2017 and transitioned from that role effective November 30, 2017 when he was appointed President and CEO of the Corporation.
- (2) Mr. Kyle Makofka is not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – External Management Companies*", "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*", "*Management Contracts*" and "*Interest of Informed Persons in Material Transactions*". Represents the entire compensation Drive Capital paid to or to the account of Mr. Makofka in connection with services Drive Capital provided to the Corporation, or any subsidiary of the Corporation, excluding compensation securities.
- (3) Dr. Burchardt resigned as an officer of the Corporation effective January 25, 2017.
- (4) Represents payment in U.S. funds. As at December 31, 2017 the rate of exchange of Canadian dollars and U.S. dollars was \$1.00 to US\$0.7971 or \$1.2545 for US\$1.00). As at December 31, 2016 the rate of exchange of Canadian dollars and U.S. dollars was \$1.00 to US\$0.7449 (or \$1.3425 for US\$1.00).
- (5) Represents separate invoicing of health and retirement benefits.
- (6) Mr. Berman resigned as an officer of the Corporation effective April 30, 2018.
- (7) Dr. Jain was appointed an officer of the Corporation effective November 30, 2017. Prior to that, beginning in May 2017, Dr. Jain fulfilled similar duties and was compensated for same as a contractor of Drive Capital.
- (8) Dr. Jain is not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – External Management Companies*", "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*", "*Management Contracts*" and "*Interest of Informed Persons in Material Transactions*". Represents the entire compensation Drive Capital paid to or to the account of Dr. Jain in connection with services Drive Capital provided to the Corporation, or any subsidiary of the Corporation.
- (9) Mr. Jenkins was appointed as Chair of the Board effective January 19, 2017.
- (10) Mr. Jenkins was first appointed as a director (filling a vacancy on the Board) effective August 10, 2016.
- (11) The management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017 noted that Mr. Jenkins received salary, consulting fee, retainer or commission and total compensation of \$48,000 during the financial year ended December 31, 2016, which was an inadvertent error. In fact, only \$4,800 was paid to Mr. Jenkins and only on account of the reimbursement of reasonable business and travel expenses.
- (12) Mr. Wood was first elected as a director effective November 10, 2014 in connection with the Corporation's plan of arrangement made effective on that date. Mr. Wood had prior to that been the CEO, CFO and a director of the Corporation's amalgamation predecessor, Technical Ventures RX Corp. Mr. Wood resigned as a director effective August 8, 2016. Mr. Wood was appointed as a director (filling a vacancy on the Board) effective January 19, 2017.

- (13) Mr. Friesen was first appointed as a director (filing a vacancy on the Board) effective January 19, 2017.
- (14) Mr. Redekop was appointed as Interim Chair of the Board effective April 15, 2016 and resigned from such position effective June 15, 2016.
- (15) Mr. Redekop was first elected as a director effective November 10, 2014 in connection with the Corporation's plan of arrangement made effective on that date. Mr. Redekop resigned as a director effective January 5, 2017.
- (16) Mr. Buckler was first elected as a director effective November 10, 2014 in connection with the Corporation's plan of arrangement made effective on that date. Mr. Buckler had prior to that been a director of the Corporation's amalgamation predecessor, TheraVita Inc. Mr. Buckler resigned as a director effective January 5, 2017.
- (17) Mr. Bard was appointed as a director (filling a vacancy on the Board) effective August 10, 2016. Mr. Bard resigned as a director effective December 15, 2016.
- (18) Mr. Baker was the Chair of the Board and Corporate Secretary of the Corporation effective November 10, 2014 in connection with the Corporation's plan of arrangement made effective on that date. Mr. Baker had prior to that been the CEO of the Corporation's amalgamation predecessor, TheraVita Inc. Mr. Baker resigned as an officer of the Corporation effective April 15, 2016.
- (19) Mr. Baker was first elected as a director effective November 10, 2014 in connection with the Corporation's plan of arrangement made effective on that date. Mr. Baker had prior to that been a director of the Corporation's amalgamation predecessor, TheraVita Inc. Mr. Baker resigned as a director effective May 19, 2016.
- (20) Mr. Brown was appointed as a director effective October 26, 2015. Mr. Brown resigned as a director effective May 19, 2016.

External Management Companies

Mr. Kyle Makofka, the President and CEO of the Corporation, is not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*", "*Management Contracts*" and "*Interest of Informed Persons in Material Transactions*".

Ms. Kristin Gulka, the CFO of the Corporation, is not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*", "*Management Contracts*" and "*Interest of Informed Persons in Material Transactions*".

Dr. Ravi Jain, the CSO of the Corporation, is not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*", "*Management Contracts*" and "*Interest of Informed Persons in Material Transactions*".

Mr. David Berman, who served as CFO of the Corporation until his resignation on April 30, 2018, was not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*" and "*Interest of Informed Persons in Material Transactions*".

Dr. Elmar Burchardt, who served as the President and CEO until his resignation on January 25, 2017 was not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*" and "*Interest of Informed Persons in Material Transactions*".

Stock Options and Other Compensation Securities

The following table discloses all compensation securities issued and outstanding to each director and NEO by the Corporation or one of its subsidiaries during the financial year ended December 31, 2017 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

Compensation Securities							
Name and Position	Type of Compensation Security ⁽¹⁾	Number of Compensation Securities and Percentage of Class ⁽²⁾⁽³⁾	Date of Issue or Grant	Issue, conversion or exercise price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at December 31, 2017 (\$)	Expiry Date
Kyle Makofka <i>President and CEO</i> ⁽⁴⁾	Options ⁽¹⁾	14,833,736 ⁽⁵⁾ (69.20%) ⁽⁵⁾⁽³⁾	September 15, 2017	\$0.05 ⁽⁶⁾	\$0.13 ⁽⁶⁾	\$0.07	September 15, 2022
David Berman <i>Former CFO</i> ⁽⁷⁾	Options ⁽¹⁾⁽⁸⁾	340,000 ⁽⁸⁾ (1.59%) ⁽³⁾	November 10, 2014 ⁽⁸⁾	\$0.10 ⁽⁸⁾	\$0.375 ⁽⁸⁾	\$0.07	August 28, 2019 ⁽⁹⁾⁽¹⁰⁾
Dr. Elmar Burchardt <i>Former President and CEO</i> ⁽¹¹⁾ and <i>Director</i> ⁽¹²⁾	Options ⁽¹⁾⁽⁸⁾⁽¹³⁾	340,000 ⁽⁸⁾⁽¹³⁾ (Nil) ⁽³⁾	November 10, 2014 ⁽⁶⁾⁽⁷⁾	\$0.10 ⁽⁸⁾⁽¹³⁾	\$0.375 ⁽⁸⁾⁽¹³⁾	\$0.07	August 28, 2019 ⁽⁸⁾⁽⁹⁾⁽¹⁴⁾
Robert L. (Lee) Buckler <i>Former Director</i> ⁽¹⁵⁾	Options ⁽¹⁾⁽⁸⁾	640,000 ⁽⁸⁾ (Nil) ⁽³⁾	November 10, 2014 ⁽⁸⁾	\$0.10 ⁽⁸⁾	\$0.375 ⁽⁸⁾	\$0.07	August 24 and 28, 2019 ⁽⁹⁾⁽¹⁶⁾

Notes:

- (1) The Corporation has one stock option plan, the Option Plan. For further particulars in respect of the Option Plan, see under the headings "Particulars of Matters to be Acted Upon – Annual Approval of the Option Plan" and "Director and Named Executive Officer Compensation – Oversight and Description of Director and NEO Compensation – Compensation Objectives and Elements of NEOs Compensation – Option Awards".
- (2) Each Option entitles the holder thereof to acquire one (1) Share.
- (3) As at December 31, 2017, the total number of Options held by each of the NEOs and/or directors as well as the percentage relative to the total number of Options outstanding on December 31, 2017 (21,437,230) were as follows: Kyle Makofka - 14,833,736 (69.20%) and David Berman - 340,000 (1.59%). All other compensation securities of the Corporation or one of its subsidiaries previously outstanding to directors and NEOs during the financial year ended December 31, 2017 expired unexercised prior to December 31, 2017. As of the date of this Information Circular, the total number of Options held by each of the NEOs and/or directors as well as the percentage relative to the total number of Options outstanding on August 22, 2018 (28,857,230) were as follows: Kyle Makofka - 14,833,736 (51.40%), Kristin Gulka - 750,000 (2.60%), Dr. Ravi Jain - 1,250,000 (4.33%), David Berman - 640,000 (2.22%), Angus Jenkins - 600,000 (2.08%), David L. Wood - 500,000 (1.73%) and Don Friesen - 500,000 (1.73%).
- (4) Mr. Makofka was appointed CRO of the Corporation pursuant to the Management Agreement (as described herein) effective January 25, 2017 and transitioned from that role effective November 30, 2017 when he was appointed President and CEO of the Corporation.
- (5) These options represent an allocation from the Option Pool as described further below at "Management Contracts". Pursuant to the Management Agreement, Drive Capital is to be compensated in part by options to acquire common shares to be granted from time to time in an amount equal to 7% of the Corporation's total issued and outstanding Shares, subject to restrictions found in the Option Plan and the policies of the TSX Venture Exchange (the Option Pool), which amounted to 20,767,230 options as at September 15, 2017. The 20,767,230 options forming the Option Pool as at September 15, 2017 were allocated based on a proposed allocation presented to the Board by Drive Capital and ratified by the Board pursuant to the Option Plan. The allocation specified that options in an amount equal to 2% and 5% of the Corporation's total issued and outstanding shares at that time were granted to Drive Capital and Mr. Makofka respectively.
- (6) The exercise price of these options was determined in accordance with the Management Agreement. See "Management Contracts". The Management Agreement provides that the exercise price of options granted from the Option Pool will be, at the direction of Drive Capital, the lesser of: (a) the discounted market price of the Shares at that time; and (b) the equivalent of the per Share price of any financing related to the relevant option grants, but in any event no less than the discounted market price of the Shares at that time. The

- exercise price of these options matches the equivalent of the per Share price of the financing of the Corporation completed on September 15, 2017.
- (7) Mr. Berman resigned as an officer of the Corporation effective April 30, 2018.
 - (8) These options were originally granted by the Corporation's amalgamation predecessor, TheraVita Inc., the number of Options outstanding now is the result of the exchange consolidation effected by the plan of arrangement of the Corporation effective November 10, 2014 whereby the common shares and options exercisable into common shares of TheraVita Inc. were exchanged on a consolidation basis of 1:10 (i.e. one (1) Share or Option for each ten (10) TheraVita Inc. common share or options previously held). These options were originally granted on April 24, 2013 with a \$0.01 per TheraVita Inc. common share exercise price. The last applicable closing price for the shares of Technical Ventures RX Corp. prior to the grant of these options was \$0.075 (Based on the subsequent 5:1 exchange consolidation applicable for Technical Ventures RX Corp. shares under the plan of arrangement, that equates to \$0.375).
 - (9) Subject to the escrow agreement entered into by the directors and officers and insiders of the Corporation in connection with its plan of arrangement on November 10, 2014 until November 10, 2017.
 - (10) Mr. Berman continues to provide services to the Corporation on an as-needed basis as a consulting senior business advisor. As a result, Mr. Berman is still considered an "Eligible Person" within the meaning of the Option Plan.
 - (11) Dr. Burchardt resigned as an officer of the Corporation effective January 25, 2017.
 - (12) Dr. Burchardt ceased to be a director based on declining to stand for re-election at the Annual and Special Shareholders Meeting on September 8, 2016.
 - (13) In addition to Options, in connection with Dr. Burchardt originally taking a position with the Corporation's amalgamation predecessor, TheraVita Inc., he was granted options dated effective November 10, 2014 by then insider (10% shareholder) and then Chair of the Board, Corporate Secretary and director Charles W. (Bill) Baker and then insider (10% shareholder) and then director Victor M. Redekop in relation to Shares owned or controlled by them (1,100,000 Shares from each of them for a total of 2,200,000 Shares for purchase at USD \$0.30 per Share). Dr. Burchardt's options granted by Mr. Baker and Mr. Redekop expired upon his resignation as an officer of the Corporation on January 25, 2017.
 - (14) Dr. Burchardt's Options granted pursuant to the Option Plan expired unexercised on April 25, 2017 based on his resignation as an officer of the Corporation on January 25, 2017.
 - (15) Mr. Buckler was first elected as a director effective November 10, 2014 in connection with the Corporation's plan of arrangement made effective on that date. Mr. Buckler had prior to that been a director of the Corporation's amalgamation predecessor, TheraVita Inc. Mr. Buckler resigned as a director effective January 5, 2017.
 - (16) Mr. Buckler's Options granted pursuant to the Option Plan expired unexercised on April 5, 2017 based on his resignation as a director of the Corporation on January 5, 2017.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by any director or NEO during the year ended December 31, 2017. No compensation security has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year.

Stock Option Plans and Other Incentive Plans

The Corporation has one stock option plan, the Option Plan. For further particulars in respect of the Option Plan, see under the headings "*Particulars of Matters to be Acted Upon – Annual Approval of the Option Plan*" and "*Director and Named Executive Officer Compensation – Oversight and Description of Director and NEO Compensation – Compensation Objectives and Elements of NEOs Compensation – Option Awards*". The Option Plan was most recently approved by the Shareholders at the meeting on June 29, 2017. Hemostemix has granted no stock options except under the Option Plan and has no other incentive plans of any type.

Employment, Consulting and Management Agreements

Mr. Kyle Makofka, the President and CEO of the Corporation, is not an employee of the Corporation. Mr. Makofka was appointed as the CRO of the Corporation in accordance with the Management Agreement (as described herein) effective January 25, 2017. Effective November 30, 2017, Mr. Makofka transitioned from the role of CRO to President and CEO of the Corporation. Mr. Makofka is the Managing Director of Drive Capital and to the extent he is compensated for services performed for the Corporation, he is generally compensated directly or indirectly by Drive Capital only. See "*Management Contracts*" and "*Interest of Informed Persons in Material Transactions*". In addition to providing services to the Corporation pursuant to the Management Agreement, Drive Capital also provides executive management services to other companies. Drive Capital does not have universal compensation arrangements for all of its own employees and agents and on a case by case basis employs or retains individuals, directly or indirectly, based on one or more types of arrangements, including but not limited to fixed salaries, base salaries with bonus arrangements, and fee for service payments based on time & materials delivered and/or performance-based contingencies. From time to time, Drive Capital compensates certain of its own employees and agents based on a notional allocation from or based on a percentage of the compensation Drive Capital receives directly from companies,

such as the Corporation, for whom Drive Capital provides executive management services. The compensation Drive Capital pays to or to the account of Mr. Makofka in connection with services Drive Capital provides to the Corporation consists of a flat monthly rate of \$12,500 and represents the entire compensation Drive Capital paid to or to the account of Mr. Makofka in connection with services Drive Capital provided to the Corporation, or any subsidiary of the Corporation, excluding compensation securities, during the financial year ended December 31, 2017. In addition, effective September 15, 2017 Mr. Makofka was granted 14,833,736 Options, with an exercise price of \$0.05 per Option, vesting over 3 years as to one third of the total on each anniversary date of the original grant, with a 5 year term such that the Options will expire no later than September 15, 2022. These options represent an allocation from the Option Pool as described further below at "*Management Contracts*". Pursuant to the Management Agreement, Drive Capital is to be compensated in part by options to acquire common shares to be granted from time to time in an amount equal to 7% of the Corporation's total issued and outstanding Shares, subject to restrictions found in the Option Plan and the policies of the TSX Venture Exchange (the Option Pool), which amounted to 20,767,230 options as at September 15, 2017. The 20,767,230 options forming the Option Pool as at September 15, 2017 were allocated based on a proposed allocation presented to the Board by Drive Capital and ratified by the Board pursuant to the Option Plan. The allocation specified that options in an amount equal to 2% and 5% of the Corporation's total issued and outstanding shares at that time were granted to Drive Capital and Mr. Makofka respectively. The exercise price of these options was determined in accordance with the Management Agreement.

Ms. Kristin Gulka, the CFO of the Corporation, is not an employee of the Corporation. Ms. Gulka was initially engaged by Drive Capital in accordance with the Management Agreement (as described herein) effective November 30, 2017 as a consultant for matters including the Corporation and on the basis that Ms. Gulka would transition into the CFO role as Mr. Berman transitioned out of that role. Ms. Gulka was appointed as the CFO of the Corporation in accordance with the Management Agreement effective April 30, 2018. To the extent Ms. Gulka is compensated for services performed for the Corporation, she is generally compensated directly or indirectly by Drive Capital only. See "*Management Contracts*", "*Interest of Informed Persons in Material Transactions*" and the general description of compensation by Drive Capital for all of its own employees and agents in the paragraph above relating to Mr. Makofka. The compensation Drive Capital pays to or to the account of Ms. Gulka in connection with services Drive Capital provides to the Corporation is determined by multiplying her salary by the number of hours she spends working on Hemostemix's activities divided by the total number of hours worked. Ms. Gulka was not serving as a NEO during the financial year ended December 31, 2017. Effective April 26, 2018, Ms. Gulka was granted 750,000 Options, with an exercise price of \$0.10 per Option, vesting over 3 years as to one third of the total on each anniversary date of the original grant, with a 5 year term such that the Options will expire no later than April 26, 2023.

Dr. Ravi Jain, the CSO of the Corporation, is not an employee of the Corporation. Dr. Jain was appointed as the CSO of the Corporation in accordance with the Management Agreement (as described herein) effective November 30, 2017. Prior to that, beginning in May of 2017, Dr. Jain fulfilled similar duties and was compensated for same as a contractor of Drive Capital. During the financial year ended December 31, 2017, to the extent Dr. Jain was compensated for services performed for the Corporation, he was generally compensated directly or indirectly by Drive Capital only. See "*Management Contracts*", "*Interest of Informed Persons in Material Transactions*" and the general description of compensation by Drive Capital for all of its own employees and agents in the paragraph above relating to Mr. Makofka. During the financial year ended December 31, 2017, the compensation Drive Capital paid to or to the account of Dr. Jain in connection with services Drive Capital provides to the Corporation were on terms substantially the same as described below in terms of the new direct agreement effective January 1, 2018. USD\$200,000 (CAD\$250,900) represents the entire compensation Drive Capital paid to or to the account of Dr. Jain in connection with services Drive Capital provided to the Corporation, or any subsidiary of the Corporation, excluding compensation securities, during the financial year ended December 31, 2017. Effective January 1, 2018, a consulting company Dr. Jain controls and directs and the Corporation entered into an agreement pursuant to which compensation is paid directly by the Corporation as opposed to such compensation attributable to the services Dr. Jain provided to the Corporation, directly or indirectly, being paid by Drive Capital. The agreement provides for a basic one (1) year term, subject to annual review and renewal. The agreement further provides that Mr. Jain's consulting company is to be paid basic consulting fees based on a daily rate of USD\$1,250.00 per day spent providing services for the Corporation up to a maximum of USD\$25,000 per month, plus reimbursement of reasonable business and travel expenses. In addition, the agreement also provided for a grant of 1,250,000 Options, which grant was formalized effective April 26, 2018, with an exercise price of \$0.10 per Option, vesting over 2 years, with 50% of the total vesting immediately and one quarter or 25% of the total grant on each of the first two anniversary dates of the original grant, with a 5 year term such that the Options will expire no later than April 26, 2023. The agreement also includes provisions for early termination: (a) by Dr. Jain's

consulting company unilaterally and with immediate effect in the event the Corporation fails to make payments as and when due under the agreement, (b) by the Corporation unilaterally with effect following 15 days, in the event Dr. Jain's consulting company neglects to perform its duties under the agreement, following a notice of the default and in the further event that Dr. Jain's consulting company has not cured or commenced to cure such default within the 15 day notice period, or (c) by either party without cause on 45 days advance notice.

During the financial year ended December 31, 2017, Mr. David Berman, who served as the CFO of the Corporation, was not an employee of the Corporation. Mr. Berman was originally engaged as the CFO of the Corporation's amalgamation predecessor, TheraVitae Inc. in 2007. After a hiatus, Mr. Berman returned to TheraVitae Inc. as its CFO again in early 2014 and continued in that position with the Corporation upon and following the plan of arrangement made effective November 10, 2014. On or after September 2, 2016, the Corporation and Mr. Berman entered into a Consulting Services Agreement dated effective August 1, 2016 (the "**2016 Berman Consulting Agreement**", see description below regarding the Change of Control Agreements, of which, the 2016 Berman Consulting Agreement was one). Pursuant to the 2016 Berman Consulting Agreement, Mr. Berman was to be paid basic consulting fees based on a daily rate of \$700.00 per day spent providing services for the Corporation, plus reimbursement of reasonable business and travel expenses. The 2016 Berman Consulting Agreement provided for a basic one (1) year term, which expired August 1, 2017 and was not renewed. In regards to the Change of Control Agreements described below, Mr. Berman's base salary equivalent was for 12 months. On or after October 23, 2017, the Corporation and Mr. Berman entered into a Contractor Agreement dated effective October 23, 2017 (the "**2017 Berman Consulting Agreement**", and together with the 2016 Berman Consulting Agreement the "**Berman Consulting Agreements**"). Pursuant to the 2017 Berman Consulting Agreement, Mr. Berman is to be paid basic consulting fees based on a daily rate of \$750.00 per day spent providing services for the Corporation up to a maximum of \$67,500 through to May 1, 2018, plus reimbursement of reasonable business and travel expenses. Following to May 1, 2018, Mr. Berman is to be paid basic consulting fees based on a daily rate of \$750.00 per day spent providing services for the Corporation, plus reimbursement of reasonable business and travel expenses. The 2017 Berman Consulting Agreement also provides for a grant of 300,000 Options to Mr. Berman, which grant was formalized as of April 26, 2018, with an exercise price of \$0.10 per Option, all Options vesting by May 1, 2018 with an expiry date of November 30, 2018. Mr. Berman resigned from his position as CFO on April 30, 2018 but continues to serve as a senior business advisor on a consulting, as-needed basis pursuant to the 2017 Berman Consulting Agreement. Based on these provisions, Mr. Berman was paid \$79,940 during the financial year ended December 31, 2017.

During the financial year ended December 31, 2017, until his resignation on January 25, 2017, Dr. Elmar Burchardt, who served as the President and CEO of the Corporation, was not an employee of the Corporation. Dr. Burchardt was originally engaged as the CEO of the Corporation's amalgamation predecessor, TheraVitae Inc., in October of 2014 and continued in that position with the Corporation upon and following the plan of arrangement made effective November 10, 2014. Dr. Burchardt was engaged pursuant to informal oral discussions and email communications and, based on such, invoiced the Corporation and was paid as a consultant at a basic rate of USD \$250,000 per year plus payments on account of health and retirement benefits and the reimbursement of expenses. The Corporation has not paid Dr. Burchardt any amount based on these arrangements during or relating to the financial year ended December 31, 2017. In addition to these arrangements, Dr. Burchardt was granted Options by the Corporation pursuant to the Option Plan and effective November 10, 2014 was granted options to acquire an aggregate of 2,200,000 Shares at a purchase price of USD \$0.30 per Share from by then insider (10% shareholder) and then Chair of the Board, Corporate Secretary and director Charles W. (Bill) Baker (as to 1,100,000 Shares) and then insider (10% shareholder) and then director Victor M. Redekop (as to 1,100,000 Shares) in relation to Shares owned or controlled by each of them respectively. Dr. Burchardt's options granted by Messrs. Baker and Redekop expired upon the effective date of his resignation as an officer of the Corporation being January 25, 2017. Dr. Burchardt's Options granted pursuant to the Option Plan expired unexercised on April 25, 2017 based on his resignation as an officer of the Corporation effective on January 25, 2017. See "*Interest of Informed Persons in Material Transactions*".

On or after September 2, 2016, the Corporation's then management and directors approved a series of agreements containing change of control and change of management provisions (each, a "**Change of Control Agreement**" and, collectively, the "**Change of Control Agreements**"), each dated or to be dated effective August 1, 2016, between the Corporation and each of Dr. Elmar Burchardt (then President and CEO), Mr. David Berman (then CFO), Mr. Robert J. Bard (then Director) and Mr. Angus H. Jenkins (Director). Mr. Bard did not sign the agreement prepared for him. The change of control provisions in the Change of Control Agreements are typical and generic. In the Change of Control Agreements, "Change of Management" was defined to mean "a change in the composition of the governing

forces in a company that determine the company policies and directions in the broadest sense, e.g. the election of new board members, the change in the person of the chairman of the board, investors demanding a new company strategy, etc.". The Change of Control Agreements provided that if, within 36 months following a change of control or change of management, the relevant counterparty was: (a) terminated other than for cause; or (b) constructively dismissed, then the relevant counterparty would be entitled to: (i) the equivalent of between 9 and 12 months of base salary; (ii) accelerated vesting of any unvested stock options held by them; and (iii) in the case of Dr. Burchardt only, 36 months of health and other benefits. In Dr. Burchardt's case the base salary equivalent was for 12 months. Current management of the Corporation has disputed that all or portions of these Change of Control Agreements are enforceable on the basis that they were not entered into in the best interests of the Corporation. See "*Interest of Informed Persons in Material Transactions*".

Angus H. Jenkins was appointed as a director (filling a vacancy on the Board) effective August 10, 2016. On or after September 2, 2016, the Corporation and Mr. Jenkins entered into a Consulting Services Agreement dated effective August 1, 2016 (see description above regarding the Change of Control Agreements, of which, Mr. Jenkins' Consulting Services Agreement was one). Pursuant to Mr. Jenkins' Consulting Services Agreement, Mr. Jenkins was to be paid basic consulting fees based on a monthly rate of \$12,000 per month spent providing services for the Corporation, plus reimbursement of reasonable business and travel expenses. Mr. Jenkins' Consulting Services Agreement provided for a basic one (1) year term, which expired August 1, 2017 and was not renewed. The management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017 noted that Mr. Jenkins received compensation of \$48,000 based on these provisions during the financial year ended December 31, 2016, which was an inadvertent error. Only an amount of \$4,800 was paid to Mr. Jenkins and that was on account of the reimbursement of reasonable business and travel expenses. During the financial year ended December 31, 2017 Mr. Jenkins was not paid any consulting fees based on these or any other provisions.

Oversight and Description of Director and NEO Compensation

The Corporation's executive compensation program is administered by the corporate governance and compensation committee (the "**Corporate Governance and Compensation Committee**") of the Board, presently with input, oversight and involvement from Drive Capital where necessary and applicable pursuant to the Management Agreement. As part of its mandate, the Corporate Governance and Compensation Committee reviews and recommends to the Board the remuneration of the NEOs. The Corporate Governance and Compensation Committee is also responsible for reviewing the Corporation's compensation policies, compensation matrix and guidelines generally.

Administration by the Corporate Governance and Compensation Committee

The Corporation's executive compensation program is administered by the Corporate Governance and Compensation Committee, presently with input, oversight and involvement from Drive Capital where necessary and applicable pursuant to the Management Agreement. The objective of the Corporate Governance and Compensation Committee is to enable the Corporation to recruit, retain and motivate employees and ensure conformity between compensation and other corporate objectives. With respect to compensation matters, the Compensation Corporate Governance and Compensation Committee has been mandated, among other things, to:

- (a) review and recommend for approval by the Board, the Corporation's key human resources policies;
- (b) review and recommend for approval by the Board, the executive compensation philosophy and remuneration policy for the Corporation;
- (c) review and recommend for approval by the Board, employment agreements for executive officers;
- (d) evaluate annually the performance of the President and CEO, other senior officers, and management personnel and recommend to the Board annual compensation packages and performance objectives;
- (e) recommend compensation policies and guidelines for senior officers and management personnel and advise the Board on corporate benefits and incentive plans;

- (f) advise the Board on the succession plan for the CEO;
- (g) advise and make recommendations to the Board on the administration of the Option Plan, including the term and vesting of Options, and review and approve the recommendations of senior management relating to the annual salaries, bonuses and Option grants of the executive officers and key employees;
- (h) review and recommend to the Board any significant changes to the overall compensation program;
- (i) review the adequacy and form of the compensation of directors periodically to determine if the compensation realistically reflects the responsibilities and risks involved in being an effective director and committee member, and to report and make recommendations to the Board accordingly;
- (j) review and reassess the adequacy of its mandate at least annually, and otherwise as it deems appropriate, and recommend changes to the Board. Such review shall include the evaluation of the performance of the Corporate Governance and Compensation Committee against criteria defined in the Corporate Governance and Compensation Committee and Board mandates; and
- (k) perform any other activities consistent with its mandate, the Corporation's by-laws, governing laws and applicable regulations or rules.

Compensation Philosophy and Objectives of the Compensation Program

The Corporation's compensation program intends to seek to encourage growth in reserves, production, cash flow and earnings while focusing on achieving attractive returns on capital in order to enhance shareholder value. To achieve these objectives, the Corporation believes it is critical to create and maintain a compensation program that will attract and retain committed, highly qualified personnel by providing appropriate rewards and incentives, motivate their performance in order to achieve the Corporation's strategic objectives and align the interests of executive officers with the long-term interests of the Corporation's shareholders and enhancement in share value.

Compensation Objectives and Elements of NEOs Compensation

The Corporation compensates (or where necessary and applicable pursuant to the Management Agreement, enables or is ultimately responsible for indirect compensation of) its NEOs through the following: (a) base salary; (b) discretionary cash bonuses paid from time to time based on performance; and (c) long-term incentive compensation consisting of grants of Options at levels which the Corporate Governance and Compensation Committee believes are reasonable in light of the performance of the Corporation.

Base Salary

Base salaries are intended to compensate each NEO's core competencies, skills, experience and contribution to the Corporation. The Corporate Governance and Compensation Committee believes that base salaries should be competitive but total compensation should be weighted toward variable, long term performance-based components.

The Corporate Governance and Compensation Committee, in conjunction with the Board, periodically reviews and selects a compensation peer group of companies involved in biotechnology research and development similar to the area in which the Corporation operates. Base salaries are periodically compared to the Corporation's industry peer group through publicly available information and available compensation surveys prepared by compensation consultants. Consideration has been and will be given to the Corporation's growth plans, area of operations and its objective of attracting and retaining highly talented individuals from within the industry.

Cash Bonus

Discretionary cash bonuses are intended to motivate and reward the accomplishment of specific business and operating objectives within a defined period. Cash bonuses are paid at the discretion of the Board on the recommendation of the Corporate Governance and Compensation Committee, presently with input, oversight and involvement from Drive

Capital where necessary and applicable pursuant to the Management Agreement, based upon the achievement of certain corporate objectives. Cash bonuses awarded by the Corporate Governance and Compensation Committee (or where necessary and applicable pursuant to the Management Agreement, awarded by Drive Capital with the input of the Corporate Governance and Compensation Committee) are intended to be generally competitive with the market. The Corporate Governance and Compensation Committee, presently with input, oversight and involvement from Drive Capital where necessary and applicable pursuant to the Management Agreement, considers the Corporation's performance during the year with respect to the qualitative goals in the context of market and economic trends and forces, extraordinary internal and market-driven events, unanticipated developments and other extenuating circumstance in making bonus determinations.

No cash bonus payments were made in 2017 or as of the date of this Information Circular. At this point the Corporation does not anticipate awarding cash bonuses during 2018. Similar to the determination of base salaries, consideration will be given to the Corporation's compensation peer group and other factors including the overall Corporation's performance and employee performance when determining if any cash bonuses were to be paid.

Proposed cash bonuses for NEOs, excluding the CEO, will be recommended by the CEO, reviewed by the Corporate Governance and Compensation Committee, presently with input, oversight and involvement from Drive Capital where necessary and applicable pursuant to the Management Agreement, and, if deemed appropriate, recommended to the Board for approval. Any cash bonus to be paid to the CEO will be determined by the Board based on recommendations received from the Corporate Governance and Compensation Committee.

Option Awards

The Corporation has adopted an incentive stock option plan (as described below, the "**Option Plan**") which is administered by the Board, presently with input, oversight and involvement from Drive Capital where necessary and applicable pursuant to the Management Agreement. The Option Plan provides that the Board may from time to time, in its discretion, and in accordance with the TSX Venture Exchange ("**TSXV**") requirements, grant to directors, officers and technical consultants to the Corporation, non-transferable, non-assignable Options, provided that the number of Shares reserved for issuance will not exceed 10% of the issued and outstanding Shares. In connection with the foregoing, the number of Shares reserved for issuance to any one person in any twelve month period will not exceed five (5%) percent of the issued and outstanding Shares unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable TSXV requirements. In addition: (a) the number of Shares reserved for issuance to any one technical consultant will not exceed two (2%) percent of the issued and outstanding Shares; and (b) the number of Shares reserved for issuance to persons providing investor relations activities will not exceed two (2%) percent of the issued and outstanding Shares. Subject to the following, Options must be exercised within 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation was by reason of death or disability, the Option may be exercised within a maximum period of one (1) year after such death or disability, subject to the expiry date of such Option.

Subject to present input, oversight and involvement from Drive Capital where necessary and applicable pursuant to the Management Agreement and the terms of the Management Agreement itself, the exercise price of the Options shall be determined by the Board at the time any Option is granted. In no event shall such exercise price be lower than the exercise price permitted by the TSXV. Subject to any vesting restrictions imposed by the TSXV, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist. As of the date of this Information Circular, 28,857,230 Options are outstanding.

Non-executive Director Compensation

Except as specifically described otherwise in this Information Circular, the Corporation does not pay cash compensation (including salaries, director's fees, commissions, bonuses paid for services rendered, bonuses paid for services rendered in a previous year, and any compensation other than bonuses earned by the directors for services rendered) to the directors of the Corporation for services rendered as directors only. Except as specifically described otherwise in this Information Circular, no other compensation is paid by the Corporation to directors; however, the directors may receive reimbursements for out-of-pocket expenses incurred in connection with attending Board meetings, Board committee meetings or information meetings. See "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*".

Significant events and actions or decisions made during the financial year ended December 31, 2017 affecting compensation

Other than as otherwise disclosed in this Information Circular, including but not limited to as described below and under the headings "*Interest of Certain Persons or Companies in Matters to be Acted Upon*", "*Director and Named Executive Officer Compensation*", "*Management Contracts*", "*Interest of Informed Persons in Material Transactions*" and "*Particulars of Matters to be Acted Upon*", management of the Corporation is not aware of: (a) any significant events that have occurred during the most recently completed financial year that have significantly affected the Corporation's compensation (including whether any performance criterion or goal was waived or changed); or (b) any significant changes to the Corporation's compensation policies that were made during or after the most recently completed financial year that could or will have an effect on director or NEO compensation.

AUDIT COMMITTEE

The purposes of the audit committee of the Corporation (the "**Audit Committee**") is to assist the Board's oversight of: the integrity of the Corporation's financial statements; the Corporation's compliance with legal and regulatory requirements; the qualifications and independence of the Corporation's independent auditors; and the performance of the independent auditors and the Corporation's internal audit function.

Audit Committee Charter

The charter of the Audit Committee (the "**Audit Committee Charter**") was attached as Schedule "A" to the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017.

Composition of the Audit Committee

The Audit Committee is presently composed of Messrs. David L. Wood, Angus H. Jenkins and Donald E. Friesen. Mr. Wood is the present Chair of the Audit Committee. All of the members of the Audit Committee are financially literate and are considered independent, as determined by National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), except Mr. Jenkins who is not considered independent based on him serving as Chair of the Board.

Relevant Education and Experience

Each member of the Audit Committee has a general understanding of the accounting principles used by the Corporation to prepare its financial statements and, where required, will seek clarification from the Corporation's auditors. Each member of the Audit Committee also has direct experience in understanding accounting principles for private and public companies, general experience in preparing, auditing, analyzing or evaluating financial statements similar to those of the Corporation, and a general understanding of internal controls and the procedures for financial reporting. Each member of the Audit Committee will receive the necessary training or enrollment in the necessary continuing education course(s) to ensure that their abilities and understanding of any change in relevant accounting principles and/or financial reporting requirements are maintained at a level sufficient to provide the necessary oversight as part of their responsibilities to the Audit Committee.

David L. Wood

David L. Wood, a director of the Corporation, is the founder (1978) and President of Zenith Appraisal and Land Consulting Ltd. and since 1994 has been the President of Double Check Consulting Inc., both private consulting entities. Mr. Wood is also a director and former CEO and CFO of DataMiners Capital Corp., a NEX listed company and since 1997 has been a director of Black Bull Resources Inc., a former mining company now listed on the NEX.

From 1999 to 2013, Mr. Wood served as a director of Iplayco Corporation Ltd. (TSXV:IPC), a playground equipment designing and manufacturing company, for which he also served as Chair of the Board from 2008 until 2011. From 2007 until 2013, Mr. Wood served as a director of Prosper Gold Corp. (formerly Lander Energy Corporation), a TSXV listed company, also serving as its President from 2007 until 2012. Mr. Wood also served as a director of the

Corporation (from November 10, 2014) and before that its amalgamation predecessor, Technical Ventures RX Corp. (from March 26, 2012 to August 8, 2016), having also previously served as the President, CEO and CFO of Technical Ventures RX Corp.

Mr. Wood presently serves on the audit committee of DataMiners Capital Corp. Mr. Wood has previously served as an audit committee member with other publicly listed companies, including Prosper Gold Corp. (formerly Lander Energy Corporation), Iplayco Corporation Ltd. and Black Bull Resources Inc., as well as the Corporation and its amalgamation predecessor, Technical Ventures RX Corp.

Mr. Wood is a professional appraiser and obtained his designation from the Appraisal Institute of Canada (AIC) in 1983.

Angus H. Jenkins

Angus H. Jenkins, a director of the Corporation and the Chair of the Board. Since September of 2014, Mr. Jenkins has served as President of Ventura Fluid Partners Ltd., a Calgary-based frac support, transfer, storage, preparation and treatment solutions business. Previously, from 2013 to 2014, Mr. Jenkins was an operations manager with Brahma Frac Services Ltd., a provider of fluid management services including sourcing, transfer, storage, heating and flow back storage. Prior to that he was an executive with Poseidon Concepts Corp. (formerly Open Range Energy Corp., TSX:PSN) from 2012 until 2013, serving first as the Vice President of Operations and then as the Chief Operating Officer from January of 2013 until his departure.

From March 17, 2010 to December 5, 2011, he also served as the Vice President of Operations of Torquay Oil Corp. (TSXV:TOC), an oil and gas exploration, production and development company based in Western Canada that was listed on the TSXV until its acquisition by CanEra Energy Corp. (privately held) in 2012.

Mr. Jenkins has a B.Sc. in Petroleum Engineering from the University of Alberta and is a member of The Association of Professional Engineers and Geoscientists of Alberta (APEGA) and has held various engineering and engineering management positions with a number of companies, including other public companies such as Poco Petroleums Ltd. (TSX:POC), Crescent Point Energy (TSX:CPG) and Peerless Energy Inc. (TSX:PRY.A).

Donald E. Friesen

Donald E. Friesen, a director of the Corporation, is a Principal of the Friesen Group, a private family office. Mr. Friesen has over 40 years of sales, marketing and entrepreneurial startup experience in a variety of industries, including environmental remediation and demolition, heavy equipment sales, sulphur and oilfield services. Current family office interests include car washes, frac sand, sulphur and helicopters, among other businesses.

Mr. Friesen was one of two founders of HAZCO Environmental Services Ltd. ("**HAZCO**") in 1989, which grew from a small environmental services company to over 1,500 employees across Western Canada and internationally while diversifying into landfill ownership and operation, demolition and construction services, environmental cleanup and remediation, waste services, and environmental drilling services. HAZCO was known as a Canadian leader in its field and was subsequently purchased in 2004 by CCS Income Trust (TSX:CCR.UN, "**CCS**" the successor of Canadian Crude Separators and the predecessor of Tervita Corporation) where Mr. Friesen continued to serve in a leadership capacity until 2008, including as a trustee of the TSX listed trust from 2004 to 2007. Prior to selling his interests in and leaving HAZCO/CCS, Mr. Friesen continued his serial entrepreneurial passion through a variety of passive and active investments in a diverse group of business sectors.

Mr. Friesen currently works with his son Chris, collectively managing and growing portfolio of the assets of the Friesen Group, a private family office located in Calgary, Alberta.

Mr. Friesen graduated with a Bachelor of Commerce from the University of Alberta in 1977.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), an exemption in section 6.1.1 of NI 52-110 (*Composition of Audit Committee*), or an exemption, in whole or in part, granted under Part 8 of NI 52-110 (*Securities Regulatory Authority Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services other than the general requirements under the heading "External Audit" of the Audit Committee Charter which states that the Audit Committee must pre-approve any non-audit services to be provided to the Corporation and the fees for those services.

External Audit Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years are as follows:

<u>Financial Year Ending⁽¹⁾</u>	<u>Audit Fees</u>	<u>Audit-Related Fees⁽²⁾</u>	<u>Tax Fees⁽³⁾</u>	<u>All Other Fees⁽⁴⁾</u>
December 31, 2017	\$53,962	Nil	\$4,013	Nil
December 31, 2016	\$46,450	Nil	\$2,500	Nil

Notes:

- (1) Shown in the years that the fees were invoiced.
- (2) "Audit Related Fees" include fees for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under "Audit Fees".
- (3) "Tax Fees" include fees for professional services for tax compliance, tax advice and tax planning. 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" include all fees for non-audit services.

Exemption

As a "venture issuer" within the meaning of NI 52-110, the Corporation is relying upon the exemption provided by section 6.1 of NI 52-110, which exempts venture issuers from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

CORPORATE GOVERNANCE

The following disclosure relates to the Corporation's corporate governance practices as required under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101").

Board of Directors

Pursuant to NI 58-101, a director is independent if the director has no direct or indirect relationship with the issuer. A material relationship is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment. Certain directors are deemed to have a material relationship with the issuer by virtue of their position or relationship with the Corporation.

The Board is currently composed of three (3) members – Angus H. Jenkins, David L. Wood and Donald E. Friesen – all of whom are independent within the meaning of NI 58-101, except Mr. Jenkins who is not considered independent based on him serving as Chair of the Board. In assessing whether a director is independent for these purposes, the circumstances of each director have been examined in relation to a number of factors.

The independent judgment of the Board in carrying out its responsibilities is the responsibility of all directors. The Board facilitates its exercise of independent supervision over management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the Board has free access to the Corporation's external auditors, legal counsel and to any of the Corporation's officers.

Directorships

Other than as set forth below no director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction.

<u>Name</u>	<u>Name of Reporting Issuer</u>	<u>Exchange or Market</u>
David L. Wood	DataMiners Capital Corp.	NEX
	Black Bull Resources Inc.	NEX

Orientation and Continuing Education

The Board is responsible for ensuring that new directors are provided with an orientation and education program, which will include written information about the duties and obligations of directors, the business and operations of the Corporation, documents from recent Board meetings, and opportunities for meetings and discussion with senior management and other directors. Directors are expected to attend all Board meetings and prepare thoroughly in advance of each Board meeting in order to actively participate in the deliberations and decision-making process.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Board notes that it has benefited from the diverse experience and knowledge of its constituent members in respect of the evolving governance regime and principles. The Board ensures that all directors are apprised of changes and proposed changes in the Corporation's operations and business.

Ethical Business Conduct

The Board is apprised of the activities of the Corporation and ensures that it conducts such activities in an ethical manner. The Board has not adopted a written code of business conduct and ethics; however, the Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct. In particular, the Board ensures that directors exercise independent judgment in considering transactions and certain activities of the Corporation by holding in camera sessions of independent directors, when appropriate, and by having each director declare his or her interest in a particular transaction and abstaining from voting on such matters, where applicable.

Nomination of Directors

The Board is responsible for identifying and evaluating qualified candidates for nomination to the Board and does not have a separate nominating committee. The process by which candidates are identified is through recommendations presented to the Board, which establishes qualifications based on corporate law and regulatory requirements as well as education and experience related to the business of the Corporation. In identifying candidates, the Board considers the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, the competencies and skills each new nominee will bring to the Board and the ability of each new nominee to devote sufficient time and resources to

his or her duties as a director. The Board also considers candidate independence and financial acumen in making recommendations for nomination. The Board does not keep a formal list of potential directors. The core competencies of any new director would be determined by the Board on a case by case basis depending on which existing director was to be replaced or what perceived area of expertise needed to be addressed.

Pursuant to its mandate, the Board takes responsibility for establishing and reviewing the Corporation's system of corporate governance and its response to and compliance with any applicable regulatory guidelines. It is also responsible for preparing disclosure concerning corporate governance matters, and for developing and monitoring the Corporation's general approach to corporate governance issues as they arise. Further, the Board assumes responsibility for assessing current members of the Board and ensuring that all Board members are informed of and are aware of their duties and responsibilities as directors.

Compensation

See under the heading "*Director and Named Executive Officer Compensation – Oversight and Description of Director and NEO Compensation*" for further details regarding the steps taken to determine compensation for the directors and executive officers of the Corporation.

Other Board Committees

The Corporation has no standing committees at this time other than the Audit Committee and the Corporate Governance and Compensation Committee.

Assessments

The practices of the Board respecting the above corporate governance matters are subject to modifications over time as the Corporation and the business environment evolves. Included in the mandate of the Board is the responsibility to assess the independence and effectiveness of the Board as a whole, the committees of the Board and individual directors. The Board, its committees and individual directors are assessed on an informal basis continually as to their effectiveness and contributions. The Board encourages an open discussion forum amongst the members of the Board as regards the effectiveness of the Board as a whole, its committees and of each individual director. All directors are free to make suggestions to improve the practices of the Board at any time and are encouraged to do so. If necessary, the Board will create measures, control mechanisms and the necessary structures to ensure the efficient execution of its responsibilities.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information, as at the end of the financial year ended December 31, 2017, with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding Options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	21,437,230 Options ⁽²⁾	\$0.05 per Option	8,250,242 ⁽³⁾
Equity compensation plans not approved by securityholders	8,422,741 warrants ⁽⁴⁾	\$0.08 per warrant	Nil
Total	29,859,971 ⁽²⁾⁽⁴⁾⁽⁵⁾		8,250,242 ⁽³⁾

Notes:

- (1) Shares issuable upon exercise of outstanding Options, warrants and/or rights.
- (2) Since December 31, 2017 330,000 Options have expired and 7,750,000 Options have been granted, such that as at the date of this Information Circular, there are 28,857,230 Options outstanding under the Option Plan.

- (3) As at December 31, 2017, there were 296,874,720 Shares issued and outstanding, accordingly, based on the terms of the Option Plan, there was a maximum of 29,687,472 Options that could have been available for grant at that time, inclusive of then outstanding Options. As of the date of this Information Circular there are 300,699,154 Shares issued and outstanding, accordingly, based on the terms of the Option Plan, there was a maximum of 30,069,915 Options that could have been available for grant at that time, inclusive of then outstanding Options. See also Note (2) above. As at the date of this Information Circular, based on there being 28,857,230 Options outstanding under the Option Plan there remains available 1,212,685 Options available for future issuance under the Option Plan.
- (4) These noted "warrants", consisted of an aggregate of broker and agent securities based compensation, described at issue variously as agent's options (465,000 issued in 2014, 77,780 issued in 2015), soliciting dealer's warrants (1,063,751 issued in 2017) and agent's warrants (6,816,210 issued in 2017). The agent's options (2014 and 2015) are exercisable for Shares only. As of the date of this Information Circular 541,780 of these remain outstanding. The soliciting dealer's warrants and the agent's warrants (2017) are exercisable for units consisting of one (1) Share and one half of one (1/2) additional warrant, with each additional whole warrant being exercisable for one (1) Share. As at the date of this Information Circular 4,056,527 of these remain outstanding.
- (5) See Note (2) above. As at the date of this Information Circular, based on there being 28,857,230 Options outstanding under the Option Plan, the total number of securities to be issued upon exercise of outstanding Options, warrants and rights is 33,455,537. This is the total of options (28,857,230) and compensation warrants (i.e. agents warrants, soliciting dealer's warrants and agent's warrants, 4,598,307).

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director or employee of the Corporation or any of its subsidiaries, or former executive officer, director or employee of the Corporation or any of its subsidiaries, at any point within 30 days before the date of this Information Circular, had any outstanding indebtedness owing to the Corporation, or any of its subsidiaries, or any other entity where the indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

No current director or executive officer of the Corporation or any of its subsidiaries, or any director or executive officer of Corporation or any of its subsidiaries during the most recently completed financial year, or any associate of such director or executive officer: (a) is, or at any time during the most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries; or (b) has had indebtedness to another entity that is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as otherwise disclosed in this Information Circular and below, including but not limited to as described below and under the headings "*Interest of Certain Persons or Companies in Matters to be Acted Upon*", "*Director and Named Executive Officer Compensation*", "*Management Contracts*" and "*Particulars of Matters to be Acted Upon*", management of the Corporation is not aware of any material interest, direct or indirect, of any "informed person" (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Corporation, any proposed director or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year ended December 31, 2017 or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

1. Between December 16, 2016 and December 21, 2016, the Corporation entered into agreements with Drive Capital, including the Management Agreement (for further details, see under the heading "*Management Contracts*").
2. Effective January 3, 2017, based in part on the agreements entered into between Drive Capital and the Corporation in December of 2016, certain former insiders converted all of their respective unsecured convertible promissory notes (\$644,000 in the aggregate) into Shares at a conversion price of \$0.16 per Share, such that the indebtedness represented by such notes was settled in full in consideration for the issuance of 2,187,500 Shares. Additional details are provided in the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017.
3. Effective January 10, 2017, based in part on the agreements entered into between Drive Capital and the Corporation in December of 2016, Drive Capital acquired a \$1,000,000 secured convertible debenture (the

"**Convertible Debenture**"), together with the associated first priority general security agreement (the "**Convertible Debenture GSA**") attaching to all of the Corporation's assets, from a former insider. Additional details are provided in the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017.

4. Effective January 10, 2017, Drive Capital agreed to provide loan funding to the Corporation in an effort to allow it to satisfy certain critical trade payables. The loan funding was provided pursuant to a demand loan agreement between the Corporation and Drive Capital (the "**Demand Loan Agreement**"). Additional details are provided in the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017.
5. Effective January 13, 2017, Drive Capital sold the Convertible Debenture together with the associated Convertible Debenture GSA and its interests in the Demand Loan Agreement and all related indebtedness of the Corporation to Wood Capital Ltd. Additional details are provided in the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017.
6. Effective January 24, 2017, based in part on the agreements entered into between Drive Capital and the Corporation in December of 2016, various creditors of the Corporation, including a former insider settled an aggregate of \$540,000 in debts owing by the Corporation in consideration for the issuance of 2,700,000 Shares at a deemed issue price of \$0.20 per Share. Additional details are provided in the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017.
7. Effective on January 25, 2017 Dr. Elmar Burchardt, the then President and CEO of the Corporation, resigned all positions then held by him with the Corporation. That resignation resulted in Dr. Burchardt ceasing to be an "Eligible Person" within the meaning of the Option Plan, which caused the expiration of various options to acquire Shares. (See "*Director and Named Executive Officer Compensation – Employment, Consulting and Management Agreements*"). Additional details are provided in the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017.
8. On April 5, 2017, Wood Capital Ltd. issued a letter of intent to the Corporation, which was accepted by the Corporation that contemplated that Wood Capital Ltd. would provide the Corporation with a non-brokered senior secured loan. The transaction was approved by Shareholders at the annual and special meeting held on June 29, 2017. Effective on September 15, 2017 the Corporation completed a series of related financings, which also resulted in the conversion of the loan from Wood Capital Ltd. Additional details are provided in the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017 as well as Hemostemix's audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2017 and 2016.
9. Effective February 15, 2018, the Corporation entered into a Contract Manufacturing Services Agreement with Aspire Health Science, LLC. Additional details have been described in news releases of Hemostemix dated and filed on www.sedar.com on February 22, 2018 and February 23, 2018, as well as Hemostemix's audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2017 and 2016.
10. Effective February 15, 2018, the Corporation entered into a License Agreement with Aspire Health Science, LLC. Additional details have been described in news releases of Hemostemix dated and filed on www.sedar.com on February 22, 2018 and February 23, 2018, as well as Hemostemix's audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2017 and 2016.

MANAGEMENT CONTRACTS

Between December 16, 2016 and December 21, 2016, the Corporation entered into agreements with Drive Capital, including a management contractor agreement (the "**Management Agreement**"), first announced on

December 22, 2016. Additional details regarding the Management Agreement have been described in various materials filed on www.sedar.com following the initial announcement, including without limitation, the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017, as well as Hemostemix's audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2017 and 2016.

Pursuant to the Management Agreement, Drive Capital is to oversee and manage all aspects of a corporate reorganization of the Corporation. Drive Capital shall report directly to the Board and will assist with the implementation of all corporate actions deemed necessary to ensure the financial sustainability of the Corporation. The Management Agreement has a term of two (2) years. Drive Capital is to be compensated by way of: (a) fees based on 15% of the total operating expenses over the term of the Management Agreement; and (b) options to acquire Shares to be granted from time to time in an amount equivalent to seven (7%) percent of the Corporation's total issued and outstanding Shares (the "**Option Pool**"). Such options are to have an exercise price being the lesser of: (a) the discounted market price of the Shares at that time; and (b) the equivalent of the per Share price of the financing or other issuance occurring at the relevant time, but in any event no less than the discounted market price of the Shares at that time. It is also expected that grants from this Option Pool will be made pursuant to the Option Plan and as such be subject to the general terms of the Option Plan and all applicable policies of the TSXV, including without limitation those that provide for maximum issuances to single participants under the Option Plan in any 12-month period. The Management Agreement further provides that grants from this Option Pool are to be allocated as determined by Drive Capital, among new management and/or consultants of the Corporation recruited and/or engaged during the term of the Management Agreement as well as to Drive Capital. The Corporation and Drive Capital expect that, in addition to compensating Drive Capital directly, grants from the Option Pool will be used to attract and retain new management and/or consultants and other qualified personnel, and motivate them to achieve the Corporation's strategic objectives in conjunction with the long-term interests of Shareholders. The initial grants from the Option Pool were made concurrent with the closing of the first equity financing completed by the Corporation during the term of the Management Agreement closed on September 15, 2017 with \$0.05 exercise prices matching the equivalent of the per Share price of the financing. As at that date, 7% of the Corporation's total issued and outstanding Shares, amounted to 20,767,230 options. The 20,767,230 options forming the Option Pool at that time were allocated based on a proposed allocation presented to the Board by Drive Capital and ratified by the Board pursuant to the Option Plan. The allocation specified that options in an amount equal to 2% (5,933,494) and 5% (14,833,736) of the Corporation's total issued and outstanding shares at that time were granted to Drive Capital and Mr. Kyle Makofka respectively.

Mr. Makofka is the Managing Director of Drive Capital and is not an employee of the Corporation. To the extent Mr. Makofka is compensated for services performed for the Corporation, he is generally compensated directly or indirectly by Drive Capital only. Mr. Makofka was appointed as the CRO of the Corporation in accordance with the Management Agreement effective January 25, 2017. Effective November 30, 2017, Mr. Makofka transitioned from the role of CRO to President and CEO of the Corporation. Drive Capital and Mr. Makofka have principal business offices located at Bay 1, 5220 Duncan Avenue, PO Box 10, Blackfalds, Alberta T0M 0J0.

Dr. Ravi Jain, the CSO of the Corporation, is not an employee of the Corporation. Dr. Jain was appointed as the CSO of the Corporation in accordance with the Management Agreement effective November 30, 2017. During the financial year ended December 31, 2017, to the extent Dr. Jain was compensated for services performed for the Corporation, he was generally compensated directly or indirectly by Drive Capital only. Effective January 1, 2018, a consulting company Dr. Jain controls or directs and the Corporation entered into an agreement pursuant to which compensation is paid directly by the Corporation as opposed to such compensation attributable to the services Dr. Jain provided to the Corporation, directly or indirectly, being paid by Drive Capital.

Ms. Kristin Gulka, the CFO of the Corporation, is not an employee of the Corporation. Ms. Gulka was initially engaged by Drive Capital in accordance with the Management Agreement effective November 30, 2018 as a consultant for matters including the Corporation and on the basis that Ms. Gulka would transition into the CFO role as Mr. Berman transitioned out of that role. Ms. Gulka was appointed as the CFO of the Corporation in accordance with the Management Agreement effective April 30, 2018. To the extent Ms. Gulka is compensated for services performed for the Corporation, she is generally compensated directly or indirectly by Drive Capital only.

The Management Agreement includes provisions for early termination: (a) by Drive Capital unilaterally and with immediate effect in the event the Corporation fails to make payments as and when due or defaults in any of its other

obligations under the Management Agreement, (b) by the Corporation unilaterally with effect following 180 days, in the event Drive Capital neglects to perform its duties under the Management Agreement, following a notice of the default and in the further event that Drive Capital has not cured or commenced to cure such default within 15 days of such notice, or (c) by either party unilaterally and with immediate effect in the event: (i) a receiver, receiver manager or like person is appointed with respect to the business or assets of the other party, (ii) the other party becomes insolvent, files a petition in bankruptcy, makes an assignment into bankruptcy or otherwise takes advantage of any legislation for the benefit of bankrupt or insolvent persons, or (iii) the majority ownership or effective control of the other party changes. In the event the Management Agreement is terminated by Drive Capital based on the foregoing provisions, then it may recover payment for work already completed plus damages, including loss of profit together with interest thereon at the rate of 5% per annum payable monthly. In the event the Management Agreement is terminated by the Corporation based on the foregoing provisions, then it may take possession of all work completed up to the point of termination (i.e. deliverables pursuant to the Management Agreement) and both parties will, acting reasonably, be required to negotiate a final fee for the services and value provided to the point of termination.

For additional information relating to the Management Agreement, Drive Capital, Mr. Makofka, Dr. Jain, Ms. Gulka and transactions between or relating to the Corporation, Drive Capital, Mr. Makofka, Dr. Jain and/or Ms. Gulka, see the further descriptions and details under the headings "*Director and Named Executive Officer Compensation*" and "*Interest of Informed Persons in Material Transactions*".

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board, the only matters to be placed before the Meeting are those set forth in the accompanying Notice of Meeting and more particularly discussed below.

Financial Statements

The audited consolidated comparative financial statements of the Corporation for the years ended December 31, 2017 and 2016, together with the auditors' report thereon, and related management's discussion and analysis will be placed before the Shareholders at the Meeting.

Fix the Number of Directors

The Shareholders will be asked to consider a resolution fixing the number of directors to be elected at the Meeting. Management proposes that the number of directors to be elected at the Meeting be set at three (3). There are presently three (3) directors of the Corporation.

Unless otherwise directed by the Shareholders appointing them as proxyholder, the persons named in the accompanying form of proxy intend to vote all Shares in respect of which they are appointed proxyholder FOR the resolution setting the number of directors to be elected at the Meeting at three (3).

Election of Directors

The Board is currently composed of Messrs. Angus H. Jenkins, David L. Wood and Donald E. Friesen.

At the Meeting, management proposes to nominate each of the current directors for re-election as directors of Hemostemix, and submit to the Shareholders an ordinary resolution to elect each nominee as a director for the ensuing year, to hold office until the close of the next annual meeting of Shareholders.

Unless otherwise directed by the Shareholders appointing them as proxyholder, the persons named in the accompanying form of proxy intend to vote all Shares in respect of which they are appointed proxyholder FOR the election of each nominee as a director of Hemostemix.

The following table set forth, for each proposed director nominee, his name and jurisdiction of residence, the date since which he has served as a director of Hemostemix, and his principal occupation, business or employment currently and during the past five (5) years.

Name, Jurisdiction of Residence	Office(s) with Hemostemix	Present Principal Occupation and Positions Held During Past Five Years	Number of Common Shares Owned Beneficially or Subject to Direction or Control
<p>Angus H. Jenkins⁽¹⁾⁽²⁾ Calgary, Alberta</p>	<p>Director (September 8, 2016)</p> <p>Chair of the Board (January 19, 2017)</p>	<p>Angus H. Jenkins, a director of the Corporation and the Chair of the Board. Since September of 2014, Mr. Jenkins has served as President of Ventura Fluid Partners Ltd., a Calgary-based frac support, transfer, storage, preparation and treatment solutions business. Previously, from 2013 to 2014, Mr. Jenkins was an operations manager with Brahma Frac Services Ltd., a provider of fluid management services including sourcing, transfer, storage, heating and flow back storage. Prior to that he was an executive with Poseidon Concepts Corp. (formerly Open Range Energy Corp., TSX:PSN) from 2012 until 2013, serving first as the Vice President of Operations and then as the Chief Operating Officer from January of 2013 until his departure.</p> <p>From March 17, 2010 to December 5, 2011, he also served as the Vice President of Operations of Torquay Oil Corp. (TSXV:TOC), an oil and gas exploration, production and development company based in Western Canada that was listed on the TSXV until its acquisition by CanEra Energy Corp. (privately held) in 2012.</p> <p>Mr. Jenkins has a B.Sc. in Petroleum Engineering from the University of Alberta and is a member of The Association of Professional Engineers and Geoscientists of Alberta (APEGA) and has held various engineering and engineering management positions with a number of companies, including other public companies such as POCO Petroleum Ltd. (TSX:POC), Crescent Point Energy (TSX:CPG) and Peerless Energy Inc. (TSX:PRY.A).</p>	<p>Nil ⁽⁵⁾</p>

Name, Jurisdiction of Residence	Office(s) with Hemostemix	Present Principal Occupation and Positions Held During Past Five Years	Number of Common Shares Owned Beneficially or Subject to Direction or Control
David L. Wood ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ Surrey, British Columbia	Director (January 25, 2017)	<p>David L. Wood, a director of the Corporation, is the founder (1978) and President of Zenith Appraisal and Land Consulting Ltd. and since 1994 has been the President of Double Check Consulting Inc., both private consulting entities. Mr. Wood is also a director and former CEO and CFO of DataMiners Capital Corp., a NEX listed company and since 1997 has been a director of Black Bull Resources Inc., a former mining company now listed on the NEX.</p> <p>From 1999 to 2013, Mr. Wood served as a director of Iplayco Corporation Ltd. (TSXV:IPC), a playground equipment designing and manufacturing company, for which he also served as Chair of the Board from 2008 until 2011. From 2007 until 2013, Mr. Wood served as a director of Prosper Gold Corp. (formerly Lander Energy Corporation), a TSXV listed company, also serving as its President from 2007 until 2012.</p> <p>Mr. Wood also served as a director of the Corporation (from November 10, 2014) and before that for its amalgamation predecessor, Technical Ventures RX Corp. (from March 26, 2012 until August 8, 2016), having also previously served as the President, CEO and CFO of Technical Ventures RX Corp.</p> <p>Mr. Wood is a professional appraiser and obtained his designation from the Appraisal Institute of Canada (AIC) in 1983.</p>	3,122,433 ⁽⁶⁾⁽⁷⁾⁽⁸⁾
Donald E. Friesen ⁽¹⁾⁽²⁾ Calgary, Alberta	Director (January 25, 2017)	<p>Donald E. Friesen, a director of the Corporation, is a Principal of the Friesen Group, a private family office. Mr. Friesen has over 40 years of sales, marketing and entrepreneurial startup experience in a variety of industries, including environmental remediation and demolition, heavy equipment sales, sulphur and oilfield services. Mr. Friesen was one of two founders of HAZCO in 1989, which grew from a small environmental services company to over 1,500 employees across Western Canada and internationally while diversifying into landfill ownership and operation, demolition and construction services, environmental cleanup and remediation, waste services, and environmental drilling services. HAZCO was known as a Canadian leader in its field and was subsequently purchased in 2004 by CCS Income Trust (TSX:CCR.UN, "CCS" the successor of Canadian Crude Separators and the predecessor of Tervita Corporation) where Mr. Friesen continued to serve in a leadership capacity until 2008, including as a trustee of the TSX listed trust from 2004 to 2007. Prior to selling his interests in and leaving HAZCO/CCS, Mr. Friesen continued his serial entrepreneurial passion through a variety of passive and active investments in a diverse group of business sectors.</p>	Nil ⁽⁹⁾

Name, Jurisdiction of Residence	Office(s) with Hemostemix	Present Principal Occupation and Positions Held During Past Five Years	Number of Common Shares Owned Beneficially or Subject to Direction or Control
		<p>Mr. Friesen currently works with his son Chris, collectively managing and growing portfolio of assets of the Friesen Group, a private family office located in Calgary, Alberta.</p> <p>Mr. Friesen graduated with a Bachelor of Commerce from the University of Alberta in 1977.</p>	

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance and Compensation Committee.
- (3) Chairman of the Audit Committee.
- (4) Chairman of the Corporate Governance and Compensation Committee.
- (5) Mr. Jenkins holds 600,000 Options.
- (6) 3,122,433 is the aggregate of holdings of Mr. D.L. Wood that are direct (300,000) as well as holdings that he controls or directs held by Zenith Appraisal and Land Consulting Ltd. (2,666,850), Double Check Consulting Inc. (155,583).
- (7) Mr. D.L. Wood holds 500,000 Options.
- (8) Mr. D.L. Wood holds 1,111,117 warrants.
- (9) Mr. Friesen holds 500,000 Options.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, to the knowledge of management of the Corporation, no proposed director of the Corporation is, as at the date of this Information Circular, or has been, within the past 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that: (a) while that person was acting in that capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days; or (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued after the person ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in such capacity.

Except as disclosed below, to the knowledge of management of the Corporation, no proposed director of the Corporation is, as at the date of this Information Circular, or has been, within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) 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.

Mr. David L. Wood served on the board of directors of Darford International Inc. ("**Darford**") (formerly White Rock Energy Inc.) from 2008 to 2012 and served as its President, Chief Executive Officer and Chief Financial Officer from 2008 until 2010. Formerly a TSXV listed marketing and manufacturing company, in October 2012 Darford went into receivership and was suspended by the TSXV. Darford's listing was transferred to the NEX board of the TSXV in January 2013 for failing to meet the continued listing requirements of the TSXV. Darford is still an active business, but remains suspended from trading on the NEX.

Mr. David L. Wood has served on the board of directors of Black Bull Resources Inc. ("**Black Bull**") since 1997. On March 17, 2018, Black Bull was subject to a cease trade order issued by the British Columbia Securities Commission and the Ontario Securities Commission for failure to file interim financial statements, management discussion and analysis and certification of the interim filings for the period ended December 31, 2017. The cease trade orders were revoked on April 30, 2018.

Mr. Angus H. Jenkins was an executive with Poseidon Concepts Corp. (formerly Open Range Energy Corp., TSX:PSN, "**Poseidon**") from 2012 until 2013, serving first as the Manager, Corporate Development and Technical Sales and then as the Vice President of Operations. Poseidon was formerly a TSX listed energy equipment and services company that provided fluid storage and handling solutions to the oil and natural gas industry in North America. In February of 2013, Poseidon announced that after the investigation of a special committee that it had established, it had determined that three (3) previously filed quarterly financial statements and related filings would need to be restated based on overstatements of revenue. As a result, cease trade orders affecting Poseidon's securities were issued in February and March of 2013 by the Alberta Securities Commission, the British Columbia Securities Commission, the Autorité des marchés financiers and the Ontario Securities Commission. In April of 2013, Poseidon entered into creditor protection under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**"), so as to continue operating under the supervision of a court appointed monitor while developing a plan of arrangement to address creditor and other claims. In May of 2013, Poseidon's securities were delisted from the TSX. Poseidon subsequently expanded the arrangement process to address its U.S. operations under Chapter 15 of the United States Bankruptcy Code ("**Chapter 15**"). Poseidon subsequently sold substantially all of its assets under the CCAA and Chapter 15 processes with the approval of the Alberta Court of the Queen's Bench and United States Bankruptcy Court in a compromise of secured creditor claims.

Personal Bankruptcies

No proposed director has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Penalties or Sanctions

To the knowledge of management of the Corporation, no proposed director has: (a) 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 (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Advance Notice By-law

On August 8, 2016, the Board approved the adoption by the Corporation of By-law No. 2, effective the date thereof, regarding advance notice of nominations of directors of the Corporation (the "**Advance Notice By-law**"). The Advance Notice By-law was confirmed by the Shareholders at the Annual and Special Meeting of the Corporation held on September 8, 2016. A copy of the Advance Notice By-law was attached as Schedule "D" to the management information circular and proxy statement of Hemostemix dated August 8, 2016, which was filed on www.sedar.com on August 15, 2016.

The Advance Notice By-law provides that advance notice to the Corporation must be made in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to: (a) a "proposal" made in accordance with Section 136 of the *Business Corporations Act* (Alberta); or (b) a requisition of a meeting made pursuant to Section 142 of the *Business Corporations Act* (Alberta).

The Advance Notice By-law fixes a deadline by which holders of record of Shares must submit director nominations to the corporate secretary of the Corporation prior to any annual or special meeting of Shareholders and outlines the specific information that a nominating Shareholder must include in the written notice to the corporate secretary of the Corporation for an effective nomination to occur. No person nominated by a Shareholder will be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of the Advance Notice By-law.

In the case of an annual meeting of Shareholders, notice to the corporate secretary of the Corporation must be made not less than 30 days and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public

announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Board may, in its sole discretion, waive any requirement of the Advance Notice By-law.

Enhanced Quorum By-law

On August 8, 2016, the Board approved the adoption by the Corporation of an amendment to By-law No. 1 of the Corporation, effective the date thereof, regarding the quorum requirements at Shareholder meetings to provide for an enhanced quorum where director nominations submitted to the Corporation by a Shareholder may result in persons who were members of the Board immediately prior to any meeting ceasing to constitute a majority of the Board following the meeting, other than pursuant to a "Change of Control" of the Corporation (as such term is defined in the Enhanced Quorum By-law) (the "**Enhanced Quorum By-law**"). The Enhanced Quorum By-law was confirmed by the Shareholders at the Annual and Special Meeting of the Corporation held on September 8, 2016. A copy of the Enhanced Quorum By-law was attached as Schedule "E" to the management information circular and proxy statement of Hemostemix dated August 8, 2016, which was filed on www.sedar.com on August 15, 2016.

The Enhanced Quorum By-law provides that a quorum of at least two (2) persons present in person and entitled to vote at any annual meeting of Shareholders, or at any special meeting of Shareholders, if one of the purposes for which the special meeting was called was the election of directors, and who, together, hold or represent by proxy at least a majority of the Shares issued and outstanding is required where nominations of persons for election to the Board made by Shareholders may result in persons who were members of the Board immediately prior to the meeting ceasing to constitute a majority of the Board following the meeting, other than pursuant to a "Change of Control" of the Corporation (as such term is defined in the Enhanced Quorum By-law).

For all other Shareholder meetings, a quorum of at least two (2) persons present in person and entitled to vote at the meeting and who, together, hold or represent by proxy not less than five (5%) percent of the votes entitled to be cast at the meeting will continue to be required.

Appointment of Auditor

MNP LLP, Chartered Accountants, has served as the Corporation's auditor since November 2014. The auditor's report of MNP LLP on the audited consolidated comparative financial statements for the financial years ended December 31, 2017 and 2016 will be placed before the Shareholders at the Meeting.

At the Meeting, management proposes to submit the Shareholders an ordinary resolution reappointing MNP LLP, Chartered Accountants, as the auditors of the Corporation, to hold office until the close of the next annual meeting of Shareholders, at a remuneration to be determined by the Board.

Unless otherwise directed by the Shareholders appointing them as proxyholder, the persons named in the accompanying form of proxy intend to vote all Shares in respect of which they are appointed proxyholder FOR the appointment MNP LLP, Chartered Accountants, as the auditors of the Corporation.

Annual Approval of the Option Plan

The Corporation has in place an Option Plan whereby the Board may allocate a maximum of 10% of the issued and outstanding Shares from time to time for issuance under the Option Plan. The Option Plan was last approved by the Shareholders on June 29, 2017. The Option Plan was attached as Schedule "B" to the management information circular of Hemostemix dated May 25, 2017, which was filed on www.sedar.com on June 6, 2017. There have not been any amendments made to the Option Plan since that time.

The highlights of the Option Plan are as follows:

- (a) options to purchase Shares ("**Options**") may be granted to directors, employees, management company employees and consultants;
- (b) the exercise price of Options granted shall be determined by the Board in accordance with the policies of the TSXV;
- (c) the Board may allocate up to a maximum of 10% of the issued and outstanding Shares for the issuance of Options; no single participant may be issued Options representing greater than five (5%) percent of the number of outstanding Shares in any 12 month period; the number of Shares reserved for issuance to any one (1) consultant of the Corporation may not exceed two (2%) percent of the number of outstanding Shares in any 12 month period;
- (d) the aggregate number of Options granted to persons employed in investor relation activities must not exceed two (2%) percent of the outstanding Shares in any 12 month period unless the TSXV permits otherwise;
- (e) Options issued to consultants providing investor relations services must vest in stages over 12 months with no more than one quarter of the Options vesting in any three month period;
- (f) the Board may determine the term of the Options, but the term shall in no event be greater than five (5) years from the date of issuance;
- (g) generally, the Options expire 90 days from the date on which a participant ceases to be a director, officer, employee, management company employee or consultant of the Corporation; and
- (h) terms of vesting of the Options, the eligibility of directors, officers, employees, management company employees and consultants to receive Options and the number of Options issued to each participant shall be determined at the discretion of the Board, subject to the policies of the TSXV.

Since the Option Plan is a "rolling plan", annual shareholder approval of the Option Plan is required by the TSXV. In accordance with the policies of the TSXV, the Corporation requests Shareholders to consider, and if thought advisable, to approve, with or without amendment, an ordinary resolution substantially in the form set forth below:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

1. pursuant to and in compliance with the policies of the TSX Venture Exchange and subject to regulatory approval, Hemostemix Inc.'s (the "**Corporation**") stock option plan is hereby approved, whereby a maximum of 10% of the common shares in the capital of the Corporation will be reserved for issuance under the stock option plan, provided that the number of listed securities that may be reserved for issuance under stock options granted to any one individual or insiders of the Corporation shall not exceed five (5%) percent of the Corporation's issued and outstanding listed securities, and the same is hereby approved;
2. the form of the stock option plan may be amended in order to satisfy the requirements or requests of any regulatory authorities, or at the discretion of the board of directors of the Corporation (the "**Board**") acting in the best interests of the Corporation without requiring further approval of the shareholders of the Corporation; and
3. any one director or officer of the Corporation be and is hereby authorized and directed, upon the Board resolving to give effect to this resolution, to take all necessary steps and proceedings, and to execute, deliver and file any and all applications, declarations, documents and other instruments and do all such other acts or things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to the provisions of this resolution."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. **Unless otherwise directed by the Shareholders appointing them as proxyholder, the persons named in the accompanying form of proxy intend to vote all Shares in respect of which they are appointed proxyholder FOR the approval of the Option Plan.**

Other Matters to be Acted Upon

Management of Hemostemix is not aware of any matters to come before the Meeting, other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matters.

ADDITIONAL INFORMATION

Additional information relating to Hemostemix may be found at www.sedar.com or our website at www.hemostemix.com.

Additional financial information is provided in Hemostemix's audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2017 and 2016.

Copies of the consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2017 and 2016, this Information Circular, the accompanying form of proxy or other documents referred to in this Information and separately available at www.sedar.com may be made available by making a written request to Hemostemix at Suite 1049, 150 – 9th Avenue S.W. Calgary, Alberta T2P 3H9. If you are a securityholder, such copies will be promptly provided free of charge upon written request.