



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

to be held on May 6, 2020

and

MANAGEMENT INFORMATION CIRCULAR

Unless otherwise stated, the information herein is current as at April 8, 2020

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SCHEDULE “A” AUDIT COMMITTEE CHARTER

HEMOSTEMIX INC.
Suite 1150, 707-7th Avenue S.W.
Calgary, Alberta T2P 3H6

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 6, 2020

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Shares**") in the share capital of Hemostemix Inc. (the "**Corporation**") will be held at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia Canada via teleconference on Wednesday, May 6, 2020 at 10:00 a.m. Pacific Time.

To participate, vote or submit questions during the Meeting, please refer to the following link and dial-in instructions:

Link: <https://zoom.us/j/991438303?pwd=S0VuOWMyWFF2VUhhVc3VNNEFtU3NjUT09>

Meeting ID: 991 438 303

Password: 007146

<u>One tap mobile</u>	<u>Dial by your location</u>
1 929 436 2866, 991438303# US (New York)	1 929 436 2866 US (New York)
1 253 215 8782, 991438303# US	1 253 215 8782 US
	1 301 715 8592 US
	1 312 626 6799 US (Chicago)
	1 346 248 7799 US (Houston)
	1 669 900 6833 US (San Jose)
	1 647 374 4685 Canada
	1 647 558 0588 Canada
	1 778 907 2071 Canada
	1 438 809 7799 Canada
	1 587 328 1099 Canada

The Meeting is to be held for the following purposes:

1. to receive the audited consolidated comparative financial statements of the Corporation for the years ended December 31, 2018 and December 31, 2017, the auditor's report thereon, and the related management's discussion and analysis;
2. to fix the number of directors of the Corporation (the "**Board**") at four;
3. to elect the directors of the Board for the ensuing year;
4. to appoint MNP LLP, Chartered Professional Accountants, as the auditors of the Corporation and to authorize the Board to fix the auditors' remuneration;
5. to consider and, if deemed advisable, to pass, with or without variation, a special resolution approving the consolidation of the Corporation's issued and outstanding Common Shares at a ratio of one (1) post-consolidated Share for every twenty (20) pre-consolidation Share, as more particularly described in the accompanying Management Information Circular; and
6. to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution to ratify and approve the Corporation's 10% "rolling" stock option plan, as more particularly described in the accompanying Management Information Circular.

Specific details of the matters proposed to be put before the Meeting are set forth in the Management 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 April 6, 2020. 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.**

NOTE OF CAUTION Concerning COVID-19 Outbreak

At the date of this Notice and the accompanying Management Information Circular it is the intention of the Corporation to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of current coronavirus (COVID-19) outbreak (“COVID-19”). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and not attend the meeting in person. Shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada: (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>). We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 21 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the Management Information Circular accompanying this Notice.

The Corporation reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 21 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation’s profile on SEDAR as well as on our Corporation website at www.hemostemix.com. We strongly recommend you check the Corporation’s website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Corporation will **not** prepare or mail amended Meeting Proxy Materials.

THE BOARD OF DIRECTORS AND MANAGEMENT REQUEST ALL SHAREHOLDERS VOTE BY PROXY AND NOT ATTEND THE MEETING IN PERSON. A ZOOM MEETING CONFERENCE LINK IS PROVIDED. IT ENABLES SHAREHOLDERS TO PARTICIPATE IN A VIDEO OR VOICE ONLY CONFERENCE CALL.

In order to be valid and acted upon at the Meeting, proxies must be received not later than 10:00 a.m. (Pacific Time) on Monday, May 4, 2020 (Pacific Time) or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) 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.

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 Management Information Circular carefully before submitting the form of proxy.

Dated at Toronto, Ontario, April 8, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) " *Thomas Smeenk* "

Thomas Smeenk
President and Chief Executive Officer
Hemostemix Inc.

HEMOSTEMIX INC.
Suite 1150, 707-7th Avenue S.W.
Calgary, Alberta T2P 3H6

MANAGEMENT INFORMATION CIRCULAR

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
as at April 8, 2020 (except as otherwise indicated)

NOTES TO READER

Introduction

This management information circular dated as of April 8, 2020 (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 share capital of the Corporation to be held at the time and place via teleconference on Wednesday, May 6, 2020 or at any postponement(s) or adjournment(s) thereof, for the purposes set forth in the notice ("**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 to Shareholders of record as at April 6, 2020 (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 at www.hemostemix.com 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 April 8, 2020 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

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors,

officers and regular employees of the Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

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.

Voting by Proxyholder

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

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

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Shares represented by the Proxy for the approval of such matter.

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.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Corporation's transfer agent, Computershare Trust Company of Canada ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia Canada V6C 3B9;
- (b) use a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the control number; or
- (c) use the internet through the website of the Corporation's transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

At the date of publication of this Notice and Information Circular it is the intention of the Corporation to hold the Meeting at the location stated in the Notice of Meeting. We are continuously monitoring development of current coronavirus (COVID-19) outbreak (defined as "COVID-19"). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and not attend the meeting in person. Those shareholders who do

wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada available at: <https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>. We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 21 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in this Information Circular.

The Corporation reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 21 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR as well as on our Corporation website at www.hemostemix.com. We strongly recommend you check the Corporation's website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Corporation will not prepare or mail amended Meeting Proxy Materials.

APPOINTMENT AND REVOCATION OF PROXIES

Accompanying this Information Circular is a form of proxy for holders of Shares (the "Proxy"). 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. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another form of proxy.**

Revocation of Proxies

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or to the Corporation at Suite 1150, 707-7th Avenue S.W., Calgary, Alberta Canada T2P 3H7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the Registered Shareholder's Shares.

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

In order to be valid and acted upon at the Meeting, proxies must be received not later than 10:00 a.m. (Pacific Time) on Monday, May 4, 2020 or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) 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.

NOTICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to 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 Depositary 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 Depositary 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 mails a voting instruction form (a "**VIF**") in lieu of a Proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy to represent your Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), other than any of the persons designated in the VIF to represent your Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you), in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to have the Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Shares. 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.**

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of Alberta, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation was amalgamated under the *Business Corporations Act* (Alberta) (the "**ABCA**"), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers

or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

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 financial year ended December 31, 2018, 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 114,080,145 Shares (representing approximately 19.90% 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 SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Record Date for determining the Shareholders entitled to receive notice of and to vote at the Meeting is April 6, 2020. 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.**

Principal Holders of Shares of the Corporation

The Corporation is authorized to issue an unlimited number of Shares. As at Record Date, April 6, 2020, 573,269,052 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 Corporation is also authorized to issue an unlimited number of shares designated as Preferred Shares. There were no Preferred Shares issued and outstanding as at Record Date, April 6, 2020.

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⁾
Blake Wood ⁽²⁾	Indirect	88,000,000 (15.35%)
PI Financial Corp. ⁽³⁾	Indirect	72,194,000 (12.60%)

Notes:

- (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.
- (2) These Shares are held indirectly by Mr. Wood through his company Wood Capital Ltd.
- (3) PI Financial Corp. holds Shares on behalf of certain clients of PI Financial Corp.

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, and by Computershare.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting, in person or by proxy, is required to pass the ordinary resolutions described herein. At least two-thirds of the votes cast at the Meeting, in person or by proxy, is required to pass the special resolution described herein. 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

General

The following information is provided as required under Form 51-102F6V – *Statement of Executive Compensation*, for Venture Issuers, as such term is defined in National Instrument 51-102.

For the purposes of this Information Circular:

“**Compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

During the fiscal year ended December 31, 2018, based on the definition above, the NEOs of the Corporation were: Kyle Makofka, former President, Corporate Secretary and CEO; Dr. Ravi Jain, former Chief Scientific Officer and Kristin Gulka, former CFO. The Directors of the Corporation who were not NEOs during the financial year ended December 31, 2018 were Donald E. Friesen, Angus Jenkins and David L. Wood.

As of the date of this Information Circular, the NEOs of the Corporation are Peter Lacey, Chairman of the Board. Thomas Smeenck, President and CEO, and Dr. Ronnie Hershman, a director who is not an NEO, and Loran Swanberg, a director who is not an NEO. .

Actions, Decisions or Policy Changes Made after the December 31, 2018 Year End

Year 2019

1. Dr. Ravi Jain resigned as Chief Scientific Officer effective January 31, 2019.
2. Dr. Alan Jacobs served as Chief Medical Officer and President from March 29, 2019 until December 16, 2019.
3. Kristin Gulka resigned as CFO effective June 17, 2019.

4. Kyle Makofka resigned as President on March 29, 2019, Corporate Secretary on July 9, 2019 and as CEO on October 31, 2019.
5. Angus Jenkins served as CFO and Corporate Secretary from July 9, 2019 until November 28, 2019. Mr. Jenkins resigned as a Director effective November 28, 2019.
6. Don Friesen resigned as a Director effective November 21, 2019.
7. Thomas Smeenk was appointed a Director effective November 26, 2019 and was appointed President effective December 9, 2019.

Year 2020

1. Bryson Goodwin served as a Director from December 2, 2019 until February 10, 2020, and as CEO from December 9, 2019 until February 10, 2020.
2. Yari Nieken resigned as a Director effective February 10, 2020.
3. Natasha Sever served as CFO from December 9, 2019 until February 7, 2020.
4. Dr. Ronnie Hershman was appointed a Director effective February 9, 2020.
5. Peter Lacey was appointed a Director effective March 11, 2020.
6. Thomas Smeenk was appointed interim CEO on February 10, 2020, and was appointed CEO on March 22, 2020.
7. David L. Wood resigned as a Director on April 8, 2020.
8. Loran Swanberg was appointed a Director effective April 8, 2020.

Director and NEO Compensation, excluding Compensation Securities

The following table discloses all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary thereof, to each NEO and director who was not an NEO, 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 who was not an NEO, for services provided and for services to be provided, directly or indirectly, to the Corporation or a subsidiary thereof for financial years ended December 31, 2018 and December 31, 2017.

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 ⁽¹⁾ <i>Former President and CEO</i>	2018	\$150,000 ⁽²⁾	Nil	Nil	Nil	Nil	\$150,000 ⁽²⁾
	2017	\$105,760 ⁽²⁾	Nil	Nil	Nil	Nil	105,760 ⁽²⁾
Dr. Elmar Burchardt ⁽³⁾ <i>Former President and CEO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Kristin Gulka ⁽⁵⁾⁽⁶⁾ <i>Former CFO</i>	2018	\$89,800	Nil	Nil	Nil	Nil	\$89,800
	2017	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 (\$)
David Berman ⁽⁷⁾ <i>Former CFO</i>	2018	\$45,000	Nil	Nil	Nil	Nil	\$45,000
	2017	\$79,940	Nil	Nil	Nil	Nil	\$79,940
Dr. Ravi Jain ⁽⁴⁾⁽⁸⁾⁽⁹⁾ <i>Former CSO</i>	2018	\$193,546	Nil	Nil	Nil	Nil	\$193,546
	2017	\$250,900	Nil	Nil	Nil	Nil	\$250,900
Dr. Alan Jacobs ⁽⁴⁾⁽¹⁰⁾ <i>Former President and CMO</i>	2018	\$50,659	Nil	Nil	Nil	Nil	\$50,659
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Angus H. Jenkins ⁽¹¹⁾ <i>Former Chair of the Board, Director and Former Interim CFO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
David L. Wood ⁽¹²⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Donald E. Friesen ⁽¹³⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Makofka was appointed CRO of the Corporation pursuant to the Drive 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. Mr. Makofka resigned from the position of President effective March 29, 2019 and resigned from the position of Corporate Secretary effective July 9, 2019. Mr. Makofka resigned from the position of CEO effective October 31, 2019.
- (2) Mr. Kyle Makofka was 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". This amount represents the entire compensation Drive Capital paid to or to the account of Mr. Makofka in connection with services that 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) Payments originally made 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, 2018 the rate of exchange of Canadian dollars and U.S. dollars was \$1.00 to US\$0.7330 (or \$1.3642 for US\$1.00).
- (5) Ms. Gulka was appointed as CFO effective April 30, 2018. Ms. Gulka resigned as CFO effective June 17, 2019.
- (6) Ms. Gulka was 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". This amount represents the entire compensation Drive Capital paid to or to the account of Ms. Gulka in connection with services Drive Capital provided to the Corporation, or any subsidiary of the Corporation, excluding compensation securities.
- (7) Mr. Berman resigned as an officer of the Corporation effective April 30, 2018.
- (8) Dr. Jain was appointed an officer of the Corporation effective November 30, 2017 and resigned effective January 31, 2019. Prior to that, beginning in May 2017, Dr. Jain fulfilled similar duties and was compensated for the same as a contractor of Drive Capital.
- (9) Dr. Jain was 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". This amount 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.
- (10) Dr. Alan Jacobs was appointed as President and CMO effective March 29, 2019 and resigned on December 16, 2019.

- (11) Mr. Jenkins was appointed as Chair of the Board effective January 19, 2017 and resigned on November 28, 2019. Mr. Jenkins was first appointed as a director (filling a vacancy on the Board) effective August 10, 2016 and resigned on November 28, 2019. Mr. Jenkins was appointed Interim CFO and Corporate Secretary effective July 9, 2019 and resigned on November 28, 2019.
- (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. Mr. Wood resigned on April 8, 2020.
- (13) Mr. Friesen was first appointed as a director (filling a vacancy on the Board) effective January 19, 2017 and resigned on November 21, 2019.

External Management Companies

Mr. Kyle Makofka, who served as CEO of the Corporation until his resignation effective on October 31, 2019, and former President and Corporate Secretary of the Corporation, was 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, who served as CFO of the Corporation until her resignation on June 17, 2019, was 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. Alan Jacobs, who served as President and CMO of the Corporation until his resignation on December 16, 2019, was 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. Angus Jenkins, who served as Interim CFO of the Corporation until his resignation on November 28, 2019, was not an employee of the Corporation. See "*Director and Named Executive Officer Compensation – Employment and Consulting and Management Agreements*" and "*Management Contracts*".

Dr. Ravi Jain, who served as CSO of the Corporation until his resignation on January 31, 2019, was 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*".

Stock Options and Other Compensation Securities

The following table discloses all compensation securities issued and outstanding to each NEO by the Corporation and director of the Corporation who was not an NEO, or one of its subsidiaries during the financial year ended December 31, 2018 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, 2018 (\$)	Expiry Date
Kyle Makofka ⁽⁴⁾ <i>Former CEO</i>	Options	14,833,736 ⁽⁵⁾	September 15, 2017	\$0.05 ⁽⁶⁾	\$0.13 ⁽⁶⁾	\$0.08	September 15, 2022

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, 2018 (\$)	Expiry Date
Dr. Alan Jacobs ⁽¹³⁾ <i>Former President and CMO</i>	Options	1,200,000 ⁽¹⁴⁾	September 27, 2018	\$0.10	\$0.11	\$0.08	September 27, 2023
Kristin Gulka ⁽⁸⁾⁽⁹⁾ <i>Former CFO</i>	Options	750,000 ⁽⁹⁾	April 26, 2018	\$0.10	\$0.08	\$0.08	April 26, 2023
Dr. Ravi Jain ⁽¹⁰⁾⁽¹¹⁾ <i>Former CSO</i>	Options	1,250,000	April 26, 2018	\$0.10	\$0.08	\$0.08	April 26, 2023
David Berman ⁽⁷⁾ <i>Former CFO</i>	Options	640,000 ⁽¹²⁾	November 10, 2014 ⁽¹²⁾ and April 26, 2018 ⁽⁷⁾	\$0.10	\$0.375 ⁽¹²⁾ / \$0.08	\$0.08	August 28, 2019 ⁽¹²⁾ / November 30, 2018 ⁽⁷⁾
Angus Jenkins ⁽¹⁵⁾ <i>Former Chair of the Board, Interim CFO and Director</i>	Options	600,000	April 26, 2018	\$0.10	\$0.08	\$0.08	April 26, 2023
Donald E. Friesen ⁽¹⁶⁾ <i>Former Director</i>	Options	500,000	April 26, 2018	\$0.10	\$0.08	\$0.08	April 26, 2023
David L. Wood ⁽¹⁷⁾ <i>Director</i>	Options	500,000	April 26, 2018	\$0.10	\$0.08	\$0.08	April 26, 2023

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 – 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, 2018, 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, 2018 (29,417,230) were as follows: Kyle Makofka - 14,833,736 (50.43%), Dr. Alan Jacobs – 1,200,000 (4.08%), Kristin Gulka – 750,000 (2.55%), Dr. Ravi Jain – 1,250,000 (4.25%), Angus Jenkins – 600,000 (2.04%), David L. Wood – 500,000 (1.67%) and Donald E. Friesen – 500,000 (1.67%). 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, 2018 expired unexercised prior to December 31, 2018. 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 April 8, 2020 were Nil (0%).

- (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. On March 29, 2019 he resigned from the position of President of the Corporation. Effective October 31, 2019, Mr. Makofka resigned from the position of CEO.
- (5) These options represent an allocation from the Option pPool 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 Options granted to Mr. Makofka expired, unexercised on January 30, 2020 based on his resignation as an officer of the Corporation effective October 31, 2019.
- (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, however continued to provide consulting services to the Corporation until September 1, 2018.
- (8) Ms. Gulka resigned as an officer of the Corporation effective June 17, 2019 and continued to provide consulting services to the Corporation until July 4, 2019.
- (9) Ms. Gulka's Options granted pursuant to the Option Plan expired unexercised on October 3, 2019 based on providing consulting services to the Corporation until July 4, 2019.
- (10) Dr. Jain resigned as an officer of the Corporation effective January 31, 2019.
- (11) Dr. Jain's Options granted pursuant to the Option Plan expired unexercised on April 30, 2019 based on his resignation as an officer of the Corporation on January 31, 2019.
- (12) 340,000 of 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). These Options expired November 30, 2018.
- (13) Dr. Jacobs was President and CMO of the Corporation from March 29, 2019 until his resignation effective December 16, 2019.
- (14) Options granted to AJIA Global Services, LLC, a company controlled by Dr. Jacobs.
- (15) Mr. Jenkins resigned as an officer of the Corporation effective November 28, 2019 and these Options expired unexercised on February 27, 2020.
- (16) Mr. Friesen resigned as an officer of the Corporation effective November 21, 2019 and these Options expired unexercised on February 20, 2020.
- (17) Mr. Wood resigned as a Director effective April 8, 2020.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by any director or NEO during the year ended December 31, 2018. 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 a 10% "rolling 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 – 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 September 26, 2018. 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 former President and CEO of the Corporation, was not an employee of the Corporation. Mr. Makofka was appointed as the Chief Restructuring Officer ("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. Effective March 29, 2019, Mr. Makofka resigned from the position of President of the Corporation and effective October 31, 2019, Mr. Makofka resigned from the position of CEO. Mr. Makofka is the former Managing Director of Drive Capital (now J.M. Wood Investments Ltd.) (herein, "**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. The Management Agreement with Drive Capital expired on December 21, 2018. In addition to providing services to the Corporation from approximately December 22, 2016 until December 21, 2018 pursuant to the Management Agreement, Drive Capital also provided executive management services to other companies. During this time, Drive Capital did not have universal compensation arrangements for all of its own employees and agents and on a case by case basis

employed or retained 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 and materials delivered and/or performance-based contingencies. From time to time, Drive Capital compensated certain of its own employees and agents based on a notional allocation from or based on a percentage of the compensation Drive Capital received directly from companies, such as the Corporation, for whom Drive Capital provided executive management services. The compensation Drive Capital paid to or to the account of Mr. Makofka in connection with services Drive Capital provided to the Corporation consisted of a flat monthly rate of \$12,500 and represented 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, 2018. 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 three years as to one third of the total on each anniversary date of the original grant, with a five 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 was 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. Effective January 1, 2019, the Corporation entered into a new management contractor agreement with Kingsman Scientific Management Inc. ("**KSM**") (the "**KSM Agreement**") for the provision of management services to the Corporation. Mr. Makofka is the managing director and majority owner of KSM. The Corporation and KSM terminated the KSM Agreement effective October 31, 2019. See "*Management Contracts*" and "*Interest of Informed Persons in Material Transactions*". Effective January 1, 2019, to the extent Mr. Makofka was compensated for services performed for the Corporation, he was generally compensated directly or indirectly by KSM only. Although the KSM Agreement was terminated on October 31, 2019, KSM may continue to provide basic accounting and administrative services to the Corporation in the future but as of the date of this Information Circular there is no formal agreement in place in respect of this.

Ms. Kristin Gulka, the former CFO of the Corporation, was 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. Until December 21, 2018, to the extent Ms. Gulka was compensated for services performed for the Corporation, she was generally compensated directly or indirectly by Drive Capital only. Effective January 1, 2019, to the extent Ms. Gulka was compensated for services performed for the Corporation, she was generally compensated directly or indirectly by KSM only. See "*Management Contracts*", "*Interest of Informed Persons in Material Transactions*" and the general description of compensation by Drive Capital and KSM for all of its own employees and agents in the paragraph above relating to Mr. Makofka. The compensation Drive Capital and KSM respectively paid to or to the account of Ms. Gulka in connection with services Drive Capital or KSM provided to the Corporation was determined by multiplying her salary by the number of hours she spent 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 three years as to one third of the total on the first anniversary date of the original grant, and quarterly thereafter, with a five year term such that the Options will expire no later than April 26, 2023. Ms. Gulka resigned from the position of CFO effective June 17, 2019, however she continued to perform consulting services to the Corporation until July 4, 2019.

Dr. Ravi Jain, the former CSO of the Corporation, was 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 the 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 provided 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 that 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 which Dr. Jain controls and directs and the Corporation entered into an agreement pursuant to which compensation was 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 provided for a basic one (1) year term, subject to annual review and renewal. The agreement further provided that Mr. Jain's consulting company was 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 two 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 five year term such that the Options will expire no later than April 26, 2023. The agreement also included provisions for early termination: (a) by Dr. Jain's consulting company unilaterally and with immediate effect in the event the Corporation failed 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 neglected 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. Dr. Jain resigned from the position of CSO effective January 31, 2019.

Dr. Alan Jacobs the former President and CMO of the Corporation was not an employee of the Corporation. Dr. Jacobs was initially engaged by the Corporation as a consultant pursuant to a consulting agreement, as amended, between the Corporation and a consulting company controlled and directed by Dr. Jacobs, dated effective August 1, 2018. Dr. Jacobs transitioned into the President and CMO role effective March 29, 2019. The amended agreement was subject to annual review. Dr. Jacobs' consulting company was paid basic consulting fees based on an hourly rate of USD\$160.00 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 until January 31, 2019. Effective February 1, 2019 Dr. Jacobs' consulting company was to be paid a consulting fee of US\$32,500 in addition to bonuses up to 40% of the annual consulting fee upon achievement of specific milestones by December 31, 2019. In addition, the amended agreement also provided for the grant of up to 7,250,000 Options. 1,200,000 Options were granted to Dr. Jacobs' consulting company effective September 27, 2018, with an exercise price of \$0.10 per Option, vesting over approximately two years and 10 months, with $8^{1/3}\%$ of the total vesting November 1, 2018 and a further $8^{1/3}\%$ of the total vesting quarterly thereafter, with a five year term such that the Options will expire no later than September 27, 2023. 1,050,000 Options were granted to Dr. Jacobs effective March 29, 2019 with an exercise price of \$0.08 per Option, vesting over approximately two years and four months with 175,000 Options vesting immediately, $8^{1/3}\%$ of the total vesting on May 1, 2019 and a further $8^{1/3}\%$ of the total vesting quarterly thereafter, with a five year term such that the Options will expire no later than March 29, 2024. 5,000,000 Options will be granted when the Corporation has the availability to grant such additional options pursuant to its Option Plan. The amended agreement also included provisions for early termination: (a) by Dr. Jacobs' 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. Jacobs' consulting company neglects to perform its duties under the agreement, following a notice of the default and in the further event that Dr. Jacobs' 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. Dr. Jacobs resigned from the position of President and CMO effective December 16, 2019.

During the financial year ended December 31, 2018, 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 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 was 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 was

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 and continued to serve as a senior business advisor on a consulting, as-needed basis pursuant to the 2017 Berman Consulting Agreement until September 1, 2018. Based on these provisions, Mr. Berman was paid \$45,000 during the financial year ended December 31, 2018.

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 (then 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 nine 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*".

Mr. Angus Jenkins, former interim CFO and Chairman of the Board of the Corporation was not an employee of the Corporation. Effective July 9, 2019, a consulting company Angus Jenkins controls and directs and the Corporation entered into an agreement pursuant to which Mr. Jenkins' consulting company was to be paid basic consulting fees based on an hourly rate of \$125.00 per hour spent providing services for the Corporation, plus reimbursement of reasonable business and travel expenses. The initial term of the agreement was for a period of three months and the agreement also included provisions for termination by the Corporation by providing one month advance written notice or by payment by the Corporation of \$10,000 (the "**Termination Payment**"), or by Mr. Jenkins' consulting company providing two weeks advance written notice to the Corporation, which may be waived at the discretion of the Corporation. In addition, Mr. Jenkins' consulting company may terminate the agreement within 30 days of a change of control by providing written notice to the Corporation and the Termination Payment will be payable. Mr. 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 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, 2018 Mr. Jenkins was not paid any consulting fees based on these or any other provisions. Mr. Jenkins was appointed corporate secretary and interim CFO of the Corporation effective July 9, 2019. Mr. Jenkins resigned on November 28, 2019.

Oversight and Description of Director and NEO Compensation

The Board as a whole assumes responsibility for reviewing and monitoring compensation for the Corporation's senior management, and as part of that mandate determines the compensation of the Corporation's CEO and CFO.

The Board considers not only the financial situation of the Corporation at the time of the determination of executive compensation, but also the estimated financial situation of the Corporation both in the mid-term and the long-term. Because stock options do not require cash disbursement by the Corporation they are an important element of executive compensation. Additional information about the Corporation and its operations is available in the Corporation's consolidated financial statements for financial years ended December 31, 2018 and December 31, 2017, and the related management's discussion and analysis, which have been filed with regulators and are available for review under the Corporation's profile at www.sedar.com.

The Board has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Corporation, none of the executive officers or directors has purchased such financial instruments.

COMPENSATION

The Corporation's executive compensation program is administered by the compensation committee (the "**Compensation Committee**") of the Board (formerly a combined Corporate Governance and Compensation Committee), previously with input, oversight and involvement from KSM (from January 1, 2019 until October 31, 2019) and prior thereto from Drive Capital where necessary and applicable pursuant to the KSM Agreement and Management Agreement respectively.

The members of the Compensation Committee is currently composed of: Dr. Ronnie Hershman, Chair, Peter Lacey and Loran Swanberg. As part of its mandate, the Compensation Committee reviews and recommends to the Board the remuneration of the NEOs.

Administration by the Compensation Committee

The Corporation's executive compensation program is administered by the Compensation Committee. The Compensation Committee has been mandated, among other things, to:

- (a) 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;
- (b) review and recommend for approval by the Board, employment agreements for executive officers;
- (c) 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;
- (d) review and recommend for approval by the Board, the executive compensation philosophy and remuneration policy for the Corporation;
- (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; and
- (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.

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 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 Compensation Committee believes that base salaries should be competitive but total compensation should be weighted toward variable, long term performance-based components.

The 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 Compensation Committee, previously with input, oversight and involvement from KSM (from January 1, 2019 until October 31, 2019) and prior thereto from Drive Capital where necessary and applicable pursuant to the KSM Agreement and Management Agreement respectively, based upon the achievement of certain corporate objectives. Cash bonuses awarded by the Compensation Committee are intended to be generally competitive with the market. The Compensation Committee 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 2018 or as of the date of this Information Circular. At this point the Corporation does not anticipate awarding cash bonuses during 2020. 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. In December, 2019, AJIA Global Services, LLC, a consulting company controlled by Dr. Jacobs, was paid a bonus of USD\$19,500.00 (CAD\$25,651.82) as specified in Dr. Jacobs' consulting agreement with the Corporation.

Proposed cash bonuses for NEOs, excluding the CEO, will be recommended by the CEO, reviewed by the Compensation Committee, 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 Compensation Committee.

Financial Year ended December 31, 2018

During the year ended December 31, 2018, the Corporation entered into the following transactions with related parties. Related party transactions are conducted on the terms and conditions agreed to by the related parties. It is the Corporation's policy to conduct all transactions and settle all balances with related parties on market terms and conditions.

The Corporation incurred \$1.27 million of research and development expenses to a company related to Hemostemix by virtue of common management (2017 - \$Nil)

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation as a whole. The Corporation has determined that key management personnel consist of members of the Corporation's Board and corporate officers. The following includes all compensation to key management personnel:

The Corporation incurred \$1.4 million, in consulting fees to the Chief Scientific Officer, members of the Scientific Advisory Board, the previous CFO of the Corporation and the management contractor, who is providing a Chief Executive Officer, Chief Financial Officer, accountant and other services, during the year ended December 31, 2018 (2017 - \$915,656). The management contractor was also reimbursed \$91,348 in travel and other expenses during the year ended December 31, 2018 (December 31, 2017 - \$103,819).

As at December 31, 2018, the Corporation had \$390,542 in accounts payable and accrued liabilities owing to the management company, contract manufacturing company, Chief Scientific Officer, and Scientific Advisory Board Members (December 31, 2017 - \$116,382).

The Corporation recorded share-based compensation for the year ended December 31, 2018 in the amount of \$1,511,467 (2017 - \$454,261) to key management personnel.

On January 25, 2017, the Corporation secured a credit facility providing an initial \$750,000 in funding from the company that is the management contractor for Hemostemix. In early 2017, the management contractor assigned the demand loan agreement and sold the related indebtedness of the Corporation to a company related to the management contractor company of Hemostemix. The Corporation received an additional \$500,000 bringing total advances to \$1,250,000. On September 15, 2017, as part of the secured credit transaction, this debt was converted into common shares of the Corporation – *refer to note 6d* of the Corporation's audited consolidated comparative financial statements for the years ended December 31, 2018 and December 31, 2017.

Benefits and Perquisites

In general, the Corporation will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. Limited perquisites the Corporation provides its executives may include a parking allowance or a fee for each Board or Audit Committee meeting attended, to assist with their out-of-pocket expenses.

Option Awards

The Corporation has a 10% rolling stock option plan in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Corporation. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board. The 10% rolling stock option plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. See headings "*Particulars of Matters to be Acted Upon – Approval of the Option Plan*" below.

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, 2018 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.

Pension Disclosure

The Corporation does not have a pension plan or provide any benefits following or in connection with retirement.

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**") is attached as Schedule "A" to this Information Circular

Composition of the Audit Committee

The Audit Committee is currently composed of Peter Lacey, Chair, Dr. Ronnie Hershman and Loran Swanberg. 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**").

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. Refer to *Director and Nominee Director Biographies* below.

Audit Committee Oversight

At no time since the commencement of the Corporation's financial year end December 31, 2018 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 financial year end December 31, 2018 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 during financial years December 31, 2018 and December 31, 2017 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, 2018	\$38,088	Nil	\$5,410	Nil
December 31, 2017	\$53,962	Nil	\$4,013	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").

The Corporation's corporate governance committee (the "Corporate Governance Committee") of the Board (formerly a combined Corporate Governance and Compensation Committee), previously with input, oversight and involvement from KSM (from January 1, 2019 until October 31, 2019) and prior thereto from Drive Capital where necessary and applicable pursuant to the KSM Agreement and Management Agreement respectively.

The members of the Corporate Governance Committee is currently composed of: Peter Lacey, Chair, Dr. Ronnie Hershman and Loran Swanberg.

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

The Corporate Governance Committee is responsible for ensuring conformity with the following corporate objectives:

- (a) review and recommend for approval by the Board, the Corporation's key human resources policies;
- (b) 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 against criteria defined in the Corporate Governance and Board mandates; and
- (c) perform any other activities consistent with its mandate, the Corporation's by-laws, governing laws and applicable regulations or rules.

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 four members – Peter Lacey, Thomas Smeenk, Dr. Ronnie Hershman and Loran Swanberg. Peter Lacey, Dr. Ronnie Hershman and Loran Swanberg are considered to be independent within the meaning of NI 58-101. Thomas Smeenk is not independent (President and CEO of the Corporation). 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

The below named Director of the Corporation is a board member of another reporting issuer as follows:

Name of Director	Name of Reporting Issuer	Exchange
Peter Lacey	Cervus Equipment Corporation	TSX

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.

Other Board Committees

The Corporation has no standing committees at this time other than the Audit Committee, the Compensation Committee and the Corporate Governance 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, 2018, 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 – Stock Option Plan	29,417,230 Options ⁽²⁾	\$0.06 per Option	672,631 ⁽³⁾
Equity compensation plans not approved by securityholders- N/A	4,399,851 warrants ⁽⁴⁾	\$0.11 per warrant	Nil
Total	33,817,081 ⁽²⁾⁽⁴⁾⁽⁵⁾		672,631 ⁽³⁾

Notes:

- (1) Shares issuable upon exercise of outstanding Options, warrants and/or rights.
- (2) Since December 31, 2018, 28,617,230 Options were cancelled or have expired and 1,050,000 Options were granted, such that as at the date of this Information Circular, there are 1,850,000 Options outstanding under the Option Plan.
- (3) As at December 31, 2018, there were 300,898,610 Shares issued and outstanding, accordingly, based on the terms of the Option Plan, there was a maximum of 30,089,861 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 573,269,052 Shares issued and outstanding, accordingly, based on the terms of the Option Plan, there was a

maximum of 57,326,905 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 26,717,230 Options outstanding under the Option Plan there remains available 55,476,905 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 77,780 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 3,857,071 of these remain outstanding.
- (5) See Note (2) above. As at the date of this Information Circular, based on there being 1,850,000 Options outstanding under the Option Plan, the total number of securities to be issued upon exercise of outstanding Options, and warrants is 5,784,851. This is the total of options (1,850,000) and compensation warrants (i.e. soliciting dealer's warrants and agent's warrants) (3,934,851).

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, 2018 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 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 financial years ended December 31, 2018 and December 31, 2017.
3. 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 financial years ended December 31, 2018 and December 31, 2017.
4. Effective January 1, 2019, the Corporation entered into a management contractor agreement with KSM. Additional details have been described in a material change report filed on www.sedar.com on May 7, 2019 as well as Hemostemix's audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2018 and 2017. Effective October 31 2019, the Corporation and KSM agreed to the early termination of the KSM Agreement.

5. Effective September 30, 2019, the Corporation entered into an Amended 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 November 19, 2019. Effective December 5, 2019 the Corporation cancelled the Amended License Agreement, as Aspire Health Science, LLC failed to meet the Condition Precedent by the Condition Precedent Date.

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 financial years ended December 31, 2018 and December 31, 2017.

Pursuant to the Management Agreement, Drive Capital was to oversee and manage all aspects of a corporate reorganization of the Corporation. Drive Capital was required to report directly to the Board and to assist with the implementation of all corporate actions deemed necessary to ensure the financial sustainability of the Corporation. The Management Agreement had a term of two years. Drive Capital was 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 were 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 was expected that grants from this Option Pool would 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 provided that grants from this Option Pool were 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 expected that, in addition to compensating Drive Capital directly, grants from the Option Pool would 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.

The Management Agreement included 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. The Management Agreement expired December 21, 2018.

Effective January 1, 2019, the Corporation entered into the KSM Agreement with KSM which was disclosed in a material change report filed on www.sedar.com on May 7, 2019 as well as Hemostemix's audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2018 and 2017. KSM is a company majority owned by Kyle Makofka, the former CEO of the Corporation, Mr. Makofka is the Managing Director of KSM and

is not an employee of the Corporation. To the extent Mr. Makofka was compensated for services performed for the Corporation subsequent to January 1, 2019, he was generally compensated directly or indirectly by KSM only.

Pursuant to the KSM Agreement, KSM was required to provide certain senior management and other personnel to oversee and manage all aspects of the day to day operations and management of Hemostemix, including the Corporation's current clinical trial for critical limb ischemia ("CLI") and research and development initiatives as well as assist in identifying additional appointments to the Corporation's Board and management team. The KSM Agreement had a term of one year with an option for an additional one year renewal period. Upon a change of control resulting in the termination of the KSM Agreement, KSM would be entitled to a lump sum payment equal to 25% of all payments made to KSM in the prior 12 months, or annualized should the contract be terminated prior to a full 12 months of operations. KSM was to be compensated based on a fixed fee for key management personnel costs, support services, accounting and office rental and cost plus 15% for clinical trial operations as well as be entitled to bonuses of up to 25% of the overall documented cost savings from the 3rd party proposed CRO plan and a bonus of \$50,000 for each month it achieved early completion of patient enrollment for the current Phase II clinical trial for CLI as compared to the 3rd party CRO plan. In addition, KSM was entitled to Options to be granted from time to time subject to availability pursuant to the Corporation's Option Plan, to acquire common shares in the capital of the Corporation, to be allocated as determined by KSM, in an amount equivalent of up to five percent (5%) of the Corporation's total issued and outstanding common shares. No Options were granted to pursuant to the KSM Agreement.

The KSM Agreement included provisions for early termination: (a) by KSM unilaterally and with effect following 60 days in the event the Corporation failed to make payments as and when due or defaulted in any of its other obligations under the KSM Agreement, following a notice of the default and in the further event that KSM had not cured or commenced to cure such default within 15 days of such notice, (b) by the Corporation unilaterally with effect following 60 days, in the event KSM neglected to perform its duties under the KSM Agreement, following a notice of the default and in the further event that KSM had not cured or commenced to cure such default within 15 days of such notice, or (c) by either party unilaterally and with immediate effect following a 30 days written notice in the event: (i) a receiver, receiver manager or like person is appointed with respect to the business or assets of the other party, or (ii) the other party becoming insolvent, filing a petition in bankruptcy, making an assignment into bankruptcy or otherwise taking advantage of any legislation for the benefit of bankrupt or insolvent persons. In the event the KSM Agreement was terminated by KSM based on the foregoing provisions, then it could recover payment for work already completed plus damages. In the event the KSM Agreement was terminated by the Corporation based on the foregoing provisions, then it would be entitled to take possession of all work completed up to the point of termination (i.e. deliverables pursuant to the KSM Agreement) and both parties would, acting reasonably, be required to negotiate a final fee for the services and value provided to the point of termination in addition to an amount equal to 25% of the KSM annual estimated rate for all leadership team positions, support services and office space. In the event the majority ownership or effective control of Hemostemix changed, KSM will be entitled to receive: (i) payment for all amounts owing to it on the termination date, (ii) payment of a prorated bonus payment up to the date of termination based on a detailed summary of actual expenses compared to the CRO plan, (iii) a lump sum amount as severance compensation on the termination date, in an amount equivalent to 25% of all payments made to KSM in the 12 months preceding termination, or on an annualized basis, and (iv) all outstanding Options would be subject to immediate vesting. The Corporation and KSM agreed to the early termination of the KSM Agreement effective October 31, 2019.

Mr. Makofka was the Managing Director of Drive Capital (now J.M. Wood Investments Ltd.) and was not an employee of the Corporation. To the extent Mr. Makofka was compensated for services performed for the Corporation, he was 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. Effective March 29, 2019, Mr. Makofka resigned from the position of President of the Corporation and effective October 31, 2019, Mr. Makofka resigned from the position of CEO of the Corporation.

Dr. Ravi Jain, the former CSO of the Corporation, was 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 former CFO of the Corporation, was 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 was compensated for services performed for the Corporation, she was generally compensated directly or indirectly by Drive Capital only until December 31, 2018. Effective January 1, 2019, Ms. Gulka was engaged by KSM in accordance with the KSM Agreement to act as the Corporation's CFO. Effective January 1, 2019, to the extent Ms. Gulka was compensated for services performed for the Corporation, she was generally compensated directly or indirectly by KSM only. Ms. Gulka resigned from the position of CFO effective June 17, 2019, however; continued to perform consulting services to the Corporation until July 4, 2019.

For information relating to the consulting agreements for Dr. Alan Jacobs and Mr. Angus Jenkins, please see the description under the heading "Employment, Consulting and Management Agreements".

For additional information relating to the KSM Agreement, 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 *PARTICULARS OF MATTERS TO BE ACTED UPON* below.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The audited consolidated comparative financial statements of the Corporation for the years ended December 31, 2018 and December 31, 2017, together with the auditors' report thereon, and related management's discussion and analysis, will be placed before the Shareholders at the Meeting.

Election of Directors

The Articles of the Corporation currently provide that the number of directors of the Corporation will be a minimum of three and a maximum of nine. The Board is currently composed of Peter Lacey, Thomas Smeenk, Dr. Ronnie Hershman and Loran Swanberg.

At the Meeting, shareholders of the Corporation will be asked to fix the number of directors of the Corporation at four.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director's office is earlier vacated in accordance with the provisions of the ABCA, each director elected at the Meeting will hold office until the conclusion of the next annual meeting of the Corporation, or if no director is then elected, until a successor is elected.

Nominees for Election

The following disclosure sets out the names of management's four nominees for election as directors, all major offices and positions with the Corporation and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years for new director nominees), the period of time during which each has been a director of the Corporation and the number of Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at April 8, 2020.

Name, Jurisdiction of Residence	Period as a Director of the Corporation	Present Principal Occupation and Positions Held During Past Five Years	Number of Common Shares Owned Beneficially or Subject to Direction or Control
Peter Lacey ⁽¹⁾⁽²⁾⁽³⁾ Chairman of the Board and Director Alberta, Canada	Since March 11, 2020	Peter Lacey has been the Chairman of Cervus Equipment Corporation since its inception, and was President and Chief Executive Officer of Cervus Equipment Corporation and its predecessor entities from 1982 to April 2012. Refer to <i>Director Biographies</i> below.	53,455,000 ⁽⁴⁾

Name, Jurisdiction of Residence	Period as a Director of the Corporation	Present Principal Occupation and Positions Held During Past Five Years	Number of Common Shares Owned Beneficially or Subject to Direction or Control
Thomas Smeenk President, CEO and Director Ontario, Canada	Since November 26, 2019	Thomas Smeenk was President and CEO of Stroud Resources Ltd., from June to July of 2019; prior, President & CEO of Broadway Gold Mining Ltd. from May 2018 to April 2019; prior, Director, Business Development, of Bullion Management Group Inc. from January 2016 to November 2017. Mr. Smeenk was the Co-Founder, Director, President and Vice-President, Business Development of TheraVita Inc. Refer to <i>Director Biographies</i> below.	4,800,000 ⁽⁵⁾
Dr. Ronnie Hershman ⁽¹⁾⁽²⁾⁽³⁾⁽⁷⁾ Director New York, USA	Since February 9, 2020	Dr. Hershman is presently the Medical Director of NYU Langone Long Island Cardiac Care and has been an Invasive Cardiologist since 1987. Refer to <i>Director Biographies</i> below.	11,325,145 ⁽⁶⁾
Loran Swanberg ⁽¹⁾⁽²⁾⁽³⁾ Director Alberta, Canada	Since April 8, 2020	Businessman. Refer to <i>Director Biographies</i> below.	44,500,000 ⁽⁷⁾

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance Committee.
- (3) Member of the Compensation Committee.
- (4) 3,000,000 of these Commons Shares are held in the name Summerhill Investment Corp., a private company owned by Mr. Lacey. Mr. Lacey also holds 50,455,000 warrants at an exercise price of \$0.05 per warrant share, expiring on March 5, 2021.
- (5) Mr. Smeenk also holds 3,600,000 warrants exercisable at \$0.05 per warrant share, expiring on March 5, 2021.
- (6) Mr. Hershman also holds 10,001,254 warrants at an exercise price of \$0.05 per warrant share, expiring on March 5, 2021 in the name Hershman Holdings LLC., a private company owned by Mr. Hershman.
- (7) 12,800,000 Shares are held jointly by Loran and his spouse, Tanya Swanberg, 14,500,000 Shares are held in the name LTUS Ltd., a private company held jointly by Loran and Tanya Swanberg, 15,300,000 Shares held in the name Landsman Properties Ltd., a private company owned 50% by Loran Swanberg, and 1,900,000 Shares are held by Tanya Swanberg. Also 12,500,000 warrants at an exercise price of \$0.05 per warrant share are held jointly by Loran and Tanya Swanberg, expiring on March 5 2021, 12,500,000 warrants at an exercise price of \$0.05 per warrant share are held in the name of LTUS Ltd., expiring on March 5, 2021, 15,000,000 warrants at an exercise price of \$0.05 per warrant share are held by Landsman Properties Ltd., expiring on March 5, 2021, and 1,900,000 warrants at an exercise price of \$0.05 per warrant share are held by Tanya Swanberg, expiring on March 5, 2021.

Director Biographies

Peter Lacey, Chairman of the Board and Director

Peter Lacey is the founder and Chairman of Cervus Equipment Corporation (TSX:CERV) a Canadian public company headquartered in Calgary, Alberta Canada. Cervus is comprised of 63 equipment dealerships, representing John Deere agricultural equipment, Peterbilt Truck dealerships, and material handling dealerships. These dealerships are located across Western Canada and Ontario. Cervus also operates John Deere dealerships in Australia and New Zealand.

Mr. Lacey has most recently served as Lead director for Entrec Corporation and Audit Committee Chairman for Memex Inc., two other Canadian public companies as well as director for several other private companies.

Mr. Lacey served on the Red Deer College Board of Governors for seven years and as Chairman of the Board of Governors for four years and served on the board of the Red Deer College Foundation, prior to his appointment to the Board of Governors, as well as the committee to fund the Library Information Commons at the College.

Mr. Lacey also served as a director and past president on the Board of Canada West Equipment Dealers Association, the trade association serving the farm equipment dealer industry in Western Canada and Mr. Lacey was recognized as “Dealer of the Year” for 2014.

Mr. Lacey received an ICD.D designation from the Rotman School of Business and the Institute of Corporate Directors.

Thomas Smeenk, President, CEO and Director

Thomas Smeenk was President and Chief Executive Officer of Stroud Resources Ltd., June - July 2019, President and Chief Executive Officer, Broadway Gold Mining Ltd. from May 2018 to April, 2019. Mr. Smeenk was a Director, Business Development, Bullion Management Group Inc. from January 2016 to November 2017 and Vice President, Business Development Memex Inc., a TSX Venture issuer from June 2012 to December 2014, which he took public as Astrix Networks Inc. Prior thereto, Mr. Smeenk served in various roles including Co-Founder, Director, President and Vice-President Business Development for TheraVitae Inc., which was taken over by Hemostemix as its Qualifying Transaction.

Dr. Ronnie Hershman, Director

Dr. Ronnie Hershman is presently the Medical Director of NYU Langone Long Island Cardiac Care Center, a cardiology medical practice he built over the last 20 years. Dr. Hershman has been an invasive cardiologist since 1987. Dr. Hershman manages a large cardiology medical practice, employing cutting-edge technology and continues his practice for patients with cardiovascular and peripheral vascular diseases, employing a non-invasive therapy for patients with intractable Angina and Congestive Heart Failure.

Loran Swanberg, Director

Loran Swanberg has been part owner and a director of a private company; LandsmanProperties Ltd. since 2005. Landsman owns and leases out shop and office space in North East British Columbia and Alberta.

From 1992 to 2005, Mr. Swanberg was a director of his family owned oilfield transportation company, Swanberg Bros. Trucking Ltd. The company was purchased by Producers Oilfield Services Inc. in 2005.

He was also director of privately held Swanberg Air Inc. from 2000 to 2012, and was a director of the Northern B.C. Truckers' Association for 10 years (1992 to 2002).

Mr. Swanberg was most recently a partner and director of Vieworx Geophoto Inc. from 2012 until Q1 2020. Vieworx is an oilfield construction company which services the oil industry and natural gas industry.

Corporate Cease Trade Orders or Bankruptcies

No proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation in respect of which the Information Circular is being prepared) that:

- (i) was subject to a cease trade or similar order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade or similar order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Corporation in respect of which the Information Circular is being prepared) 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.

No director has, within the past ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

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

Except as set out below, 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.

Peter Lacey resigned as a Director of BioExx Specialty Proteins Ltd. on September 29, 2013. BioExx filed for protection under the Companies' Creditors Arrangement Act on October 1, 2013.

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 Corporation's Annual and Special Meeting held on September 8, 2016. A copy of the Advance Notice By-law was attached as Schedule "D" to the Corporation's management information circular and proxy statement 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 ABCA; or (b) a requisition of a meeting made pursuant to Section 142 of the ABCA.

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.

The foregoing is merely a summary of the Advance Notice By-Law, is not comprehensive and is qualified by the full text of such provision contained in the Corporation's Articles which is available under the Corporation's profile on SEDAR at www.sedar.com.

The Corporation did not receive notice of a nomination in compliance with the Advance Notice Provision, and as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Corporation will be disregarded at the Meeting.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees. THE BOARD UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

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 Corporation's annual and special meeting held on September 8, 2016. A copy of the Enhanced Quorum By-law was attached as Schedule "E" to the Corporation's management information circular and proxy statement 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 Professional 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, 2018 and 2017 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 Professional Accountants, as the auditors of the Corporation, at a remuneration to be fixed 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 Professional Accountants, as the auditors of the Corporation.

Approval of Share Consolidation

Management proposes that the Shareholders approve, with or without variation, a special resolution authorizing an amendment to the articles of the Corporation pursuant to subsection 173(1)(f) of the ABCA to consolidate the Shares on the basis of one (1) Common Share on a post-consolidated basis for every twenty (20) Common Shares on a pre-consolidation basis (the "20 for 1 Consolidation"). The 20 for 1 Consolidation would reduce the number of outstanding Shares and the holdings of each Shareholder on a 20 for 1 basis. Based on the 573,269,052 Shares issued and outstanding at Record Date, approximately 28,663,452 Shares would be outstanding following the Share Consolidation. The Share Consolidation is subject to approval of the Shareholders and the TSXV.

The Corporation's Board and management believe that completing the 20 for 1 Consolidation (the "**Share Consolidation**") is necessary for the following reasons:

1. Merger or acquisition proposals based on share consideration are hampered by the need to issue very large amount of stock to effect any transaction.

2. TSXV Rules are designed to encourage public companies to maintain price per share trading ranges above \$0.05 per share through minimum share and warrant equity issue rules. At this time the high number of shares outstanding makes it difficult to sustain higher share prices. This low share price range results in material limitations on the Corporation's ability to obtain financing through equity or convertible debt issues.
3. Many institutional and sophisticated investors prefer not to invest in public companies with a high number of outstanding shares and low trading price ranges. A smaller share float tends to low volume traders from using limited capital to set trading ranges and bid/ask price spreads that are not reflective of the underlying value of assets to the Corporation.
4. Over longer periods, share consolidations do not have a material impact on the Corporations total market capitalization and shareholder equity value. Market capitalization is reflective of the underlying assets of the Corporation. Management believes that consolidating the Corporation's issued share capital would be in the best interests of the Corporation. In the opinion of management, the Share Consolidation may enhance the marketability of the Shares as an investment. Implementation of the Share Consolidation will not have an effect on the actual or intrinsic value of the business of the Corporation or on a Shareholder's proportional ownership in the Corporation.

Although approval for the Share Consolidation is being sought at the Meeting, such Share Consolidation would become effective at a date in the future to be determined by the Board when the Board considers it to be in the best interests of the Corporation to implement the Share Consolidation. The special resolution will also authorize the Board not to elect to proceed with the Share Consolidation at any time if it determines, in its sole discretion to do so.

Effect on Security-based Compensation Plans

Upon the Share Consolidation becoming effective, the number of Shares reserved for issuance by the Corporation under the Corporations Option Plan and the outstanding options to acquire Shares under such Option Plan (the "Options") will be adjusted to give effect to the Share Consolidation, such that the number of consolidated Shares issuable will be equal to the number obtained when the number of Shares issuable pursuant to the Option Plan or outstanding Options is divided by fifteen and the exercise price of the outstanding Options will be equal to the price obtained by multiplying the existing exercise price by one hundred.

Effect on the Convertible Securities

The exercise or conversion price and the number of common shares issuable under any outstanding convertible securities, including under outstanding stock options, warrants, rights and any other similar securities will be proportionately adjusted upon the implementation of the Consolidation, in accordance with the terms of such securities, based on the Share Consolidation ratio.

Risks Associated with the Share Consolidation

There can be no assurance that the market price of the consolidated Shares will increase as a result of the Share Consolidation. The marketability and trading liquidity of the consolidated Shares may not improve. The Share Consolidation may result in some Shareholders owning "odd lots" of Shares which may be more difficult for such Shareholders to sell or which may require greater transaction costs per share to sell.

Effect on Fractional Shares

No fractional Shares will be issued if, as a result of the Share Consideration, a registered Shareholder would otherwise be entitled to a fractional Share. Any fractions of a Share will be rounded down to the nearest whole number of post-consolidation Shares. Procedure for Implementing the Share Consolidation If the special resolution is approved by the Shareholders and the Board decides to implement the Share Consolidation, the Corporation will promptly file articles of amendment pursuant to the ABCA to amend the articles of the Corporation. The Share Consolidation will become effective on the date shown in the certificate of amendment issued pursuant to the ABCA.

Effect on Share Certificates

If the Share Consolidation is approved by the Shareholders and implemented by the Board, the Registered Shareholders will be required to exchange their Share certificates representing pre-consolidation Shares for new share certificates representing

post-consolidated Shares. The Corporation will send Registered Shareholders of Shares a Letter of Transmittal for use in transmitting their share certificates to the Corporation's registrar and transfer agent, Computershare Trust Company of Canada, in exchange for new certificates representing the number of Shares of the Corporation to which such shareholder is entitled as a result of the Share Consolidation. The Corporation will announce by press release details of the Share Consolidation and the effective date of the Share Consolidation. No delivery of a new Share certificate to a shareholder will be made until the shareholder has surrendered their current issued certificates. Until surrendered, each share certificate formally representing old Shares of the Corporation shall be deemed for all purposes to represent the number of new Shares to which the holder is entitled as a result of the Share Consolidation.

No Dissent Rights

Under the ABCA, Shareholders do not have dissent or appraisal rights with respect to the Share Consolidation.

Shareholder Approval

In accordance with the Corporation's articles and the ABCA, the Share Consolidation resolution must be approved by a majority of not less than two-thirds (2/3) of the votes cast by the Shareholders represented at the Meeting in person or by proxy.

At the Meeting, the following special resolution, with or without variation, will be placed before the Shareholders in order to approve the Share Consolidation. The Corporation requests Shareholders to consider, and if thought advisable, to approve, with or without amendment, a special resolution substantially in the form set forth below:

"BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS THAT:

1. The articles of Hemostemix Inc. (the "**Corporation**") be amended to change the number of issued and outstanding common shares of the Corporation (the "**Shares**") by consolidating the issued and outstanding Shares on the basis of one (1) Share on a post-consolidated basis for every twenty (20) Shares on a pre-consolidation basis, , and in the event that the Share Consolidation would otherwise result in a holder of Shares (a "**Shareholder**") holding a fraction of a Share, such holder shall not receive any whole new Shares for each such fraction, such amendment to become effective at a date in the future to be determined by the Board.
2. Any director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to execute and deliver or cause to be delivered articles of amendment to the Registrar of Corporations under the ABCA at such time as the Board determines to implement the Share Consolidation.
3. Notwithstanding that this special resolution has been duly passed by the Shareholders, the Board is hereby authorized, at any time in its absolute discretion, to determine whether or not to proceed with the above resolution without further approval, ratification or confirmation by the Shareholders.
4. Any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Corporation may be necessary or desirable to carry out the terms of the foregoing."

Management recommends that Shareholders vote in favour of the special resolution to approve the Share Consolidation. **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 Share Consolidation.**

Approval of the Option Plan

The Corporation has in place a 10% "rolling" 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 September 26, 2018, which 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 (herein referred to as the "**2018 Option Plan**"). There have not been any amendments made to the 2018 Option Plan since that time.

The Option Plan is administered by the Board. 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 year after such death or disability, subject to the expiry date of such Option.

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, 1,850,000 Options are outstanding.

The following is a summary of material terms of the 2018 Option Plan :

- (a) Persons who are Service Providers to the Corporation or its affiliates, or who are providing services to the Corporation or its affiliates, are eligible to receive grants of options under the 2018 Option Plan ;
- (b) options granted under the 2018 Option Plan are non-assignable and non-transferable and are issuable for a period of up to ten years;
- (c) for options granted to Service Providers, the Corporation must ensure that the proposed Optionee is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (d) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same;
- (e) the exercise price of each option will be set by the Board at the time such Option is allocated under the 2018 Option Plan , and cannot be less than the Discounted Market Price;
- (f) vesting of options shall be at the discretion of the Board and, with respect to any particular Options granted under the 2018 Option Plan , in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where application, vesting of Options will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Corporation or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Corporation or any of its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Corporation or any of its affiliates during the vesting period;
- (g) the Board reserves the right in its absolute discretion to amend, modify or terminate the 2018 Option Plan with respect to all common shares in respect of options which have not yet been granted under the 2018 Option Plan; and
- (h) any amendment to any provision of the 2018 Option Plan will be subject to any necessary Regulatory approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of the 2018 Option Plan to Service Providers.

In order to reasonably protect the rights of participants, as a matter of administration, the 2018 Option Plan also provides that the Board may, without shareholder approval:

- (a) make amendments of a housekeeping nature to the 2018 Option Plan;

- (b) change the vesting provisions of a security or the 2018 Option Plan; and
- (c) a change to the termination provisions of a security or the Plan which does not entail an extension beyond the original expiry date.

The Corporation will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Corporation's other previous Share Compensation Arrangements, could result at any time in:
 - (i) an increase the aggregate number of Shares which may be issued under the Plan;
 - (ii) materially modify the requirements as to the eligibility for participation in the Plan which would have the potential of broadening or increasing Insider participation;
 - (iii) add any form of financial assistance or any amendment to a financial assistance provision which is more favourable to participants under the Plan;
 - (iv) add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the Plan reserve; and
 - (v) materially increase the benefits accruing to participants under the 2018 Option Plan.

As the 2018 Option Plan is a "rolling plan", annual shareholder approval of the 2018 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 ratify and 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. subject to regulatory approval, Hemostemix Inc.'s (the "**Corporation**") stock option plan (the "**2018 Option Plan**") is hereby ratified and 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, be and the same is hereby ratified and approved;
2. the form of the 2018 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 2018 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 financial years ended December 31, 2018 and 2017.

Copies of the audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2018 and 2017, this Information Circular, the accompanying form of proxy or other documents referred to in this Information Circular and separately available at www.sedar.com may be made available by making a written request to Hemostemix at Suite 1150, 707-7th Avenue S.W. Calgary, Alberta T2P 3H6. If you are a securityholder, such copies will be promptly provided free of charge upon written request.

Dated at Toronto, Ontario, April 8, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) " *Thomas Smeenk* "

Thomas Smeenk
President and Chief Executive Officer
Hemostemix Inc.

SCHEDULE "A"

HEMOSTEMIX INC.

I. **Role**

The Audit Committee is a committee of the Board of Directors (the "Board"). Its role is to assist the Board in its oversight of the integrity of the financial and related information of the Corporation including its financial statements, the internal controls and procedures for financial reporting and the processes for monitoring compliance with legal and regulatory requirements and to review the independence, qualifications and performance of the external auditor of the Corporation. Management is responsible for establishing and maintaining those controls, procedures and processes and the Audit Committee is appointed by the Board to review and monitor them.

While the Audit Committee shall have the responsibilities and powers set forth in this charter, it shall not be the duty of the Audit Committee to determine whether the Corporation's financial statements are complete, accurate, or in accordance with generally accepted accounting principles or to conduct audits. These are the responsibilities of management and the external auditor in accordance with their respective roles.

The responsibilities of a member of the Audit Committee shall be in addition to such member's duties as a member of the Board.

II. **Authority**

The Audit Committee shall have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities. In connection with such investigations or otherwise in the course of fulfilling its responsibilities under this charter, the Audit Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee and to communicate directly with the internal and external auditors. The Audit Committee shall also have unrestricted access to the Corporation's personnel and documents and will be provided with the resources to carry out its responsibilities. The Audit Committee shall have direct communication channels with the internal auditors (if any) and the external auditors to discuss and review specific issues as appropriate.

III. **Membership and Meetings**

The Audit Committee shall be composed of a minimum of three Directors, two of whom shall be independent as that term is defined in National Instrument 52-110 - *Audit Committees* ("NI 52-110") and any other applicable requirements of Canadian securities laws. A member of the Audit Committee shall automatically cease to be a member upon ceasing to be a director of the Corporation.

Members shall serve one-year terms and may serve consecutive terms. This is to encourage continuity of experience.

The Chairperson shall be appointed by the Board of Directors for a one-year term and may serve any number of consecutive terms.

Except as may be permitted by applicable securities laws and regulatory policies, all members of the Audit Committee must be "financially literate" i.e., have the ability to read and understand a balance sheet, an income statement and a cash flow statement. At least one member of the Audit Committee should be financially sophisticated in that he or she has past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background which results in the individual's sophistication. This individual must have the ability to analyze and interpret a full set of financial statements including the attached notes, in accordance with Canadian generally accepted accounting principles.

The Chairman of the Audit Committee shall be appointed by the Board and the Chairman shall preside at all meetings of the Audit Committee and shall have a second and deciding vote in the event of a tie. If the Chairman is absent from a meeting, then the remaining members of the Audit Committee shall appoint one of their members to act as Chairman.

Subject to the requirements of this charter, the time(s), place and processes for calling meetings of the Audit Committee and the procedures at such meetings shall be determined by the Audit Committee.

Quorum of a meeting of the Audit Committee shall be the attendance of two (2) members thereof. A member or members of the Audit Committee may participate in a meeting of the Audit Committee by means of such telephonic, electronic or other communication facilities as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.

The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to Audit Committee members with copies to the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the external auditor.

A written resolution signed by all the members of the Audit Committee entitled to vote on that resolution at a meeting of the Audit Committee is as valid as if it had been passed at a meeting of the Audit Committee.

The Audit Committee reviews, prior to their presentation to the Board of Directors and their release, all material financial information required by securities regulations.

IV. **Responsibilities**

In carrying out its role, the Audit Committee SHALL:

A. General

1. Meet at least four times per year, or more frequently if circumstances or the obligations of the Audit Committee require;
2. Report to the Board on such matters as the Board may from time to time refer to the Audit Committee;
3. Annually review and reassess the adequacy of this charter and submit such evaluation to the Board and recommend any proposed changes to the Board for approval;

B. External Auditor

1. Require the external auditor to report directly to the Audit Committee and shall provide notice of each Audit Committee meeting to the external auditor;
2. Recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing the auditor's report or performing other audit, review or attest services for the Corporation and the compensation of the external auditor, and as necessary, review and approve the discharge of the external auditor. If the event of a change of external auditor, the Audit Committee shall review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 (or any successor legislation) of the Canadian Securities Administrators and the planned steps for an orderly transition period;
3. Be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing the auditor's report or performing other audit, review or attest services for the Corporation;
4. Oversee the resolution of disagreements between management and the external auditor regarding financial reporting;
5. Pre-approve any non-audit services to be provided to the Corporation or its subsidiaries by the external auditor and the fees for those services;

6. Take reasonable steps to confirm the independence of the external auditor, which shall include, but shall not be limited to:
 - (a) ensuring receipt, at least annually, from the external auditor of a formal written statement delineating all relationships between the external auditor and the Corporation, including non-audit services provided to the Corporation, consistent with Section 5751 of the Canadian Institute of Chartered Accountants Handbook;
 - (b) considering and discussing with the external auditor any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the external auditor; and
 - (c) enquiring into and determining the appropriate resolution of any conflict of interest in respect of the external auditor;
7. Review and approve the Corporation's hiring policies regarding the hiring of partners, employees, and former partners and employees of the Corporation's existing and former external auditor;

C. Audit and Other Review Processes

1. Consider, in consultation with the external auditor, the audit scope and plan of the external auditor;
2. Consider and review with the external auditor the matters required to be discussed by Section 5751 of the Canadian Institute of Chartered Accountants Handbook, as the same may be modified or supplemented from time to time;
3. Review and discuss with management and the external auditor, as appropriate, at the completion of the annual audit:
 - (a) the Corporation's annual audited financial statements and related footnotes, including the accompanying management's discussion and analysis prior to their release;
 - (b) the external auditor's audit of the financial statements and its report thereon;
 - (c) any significant changes required to be made in the external auditor's audit plan;
 - (d) any serious difficulties or disputes between management and the external auditor during the course of the external auditor's audit;
 - (e) any related findings and recommendations of the external auditor together with management's responses including the status of previous recommendations; and
 - (f) any other matters related to the conduct of the external audit which are to be communicated to the Audit Committee by the external auditor under Canadian generally accepted auditing standards;
4. Review and discuss with management and the external auditor, as appropriate, at the completion of each interim period, the Corporation's interim financial statements including the accompanying management's discussion and analysis prior to their release;
5. Review and discuss with management and the external auditor, as appropriate, any annual and interim earnings guidance and other press releases containing information derived from the Corporation's financial statements prior to their release;
6. Ensure that the Corporation has satisfactory procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and the Audit Committee shall periodically assess the adequacy of such procedures;

7. Review and discuss with management and the external auditor and others, as appropriate, the Corporation's internal system of audit controls established by management and the Board and the effectiveness of such controls, and inquire of management and the external auditor about significant financial risks or exposures and the steps management has taken to minimize such risks;
8. Review and discuss with management and the external auditor, as appropriate, the Corporation's financial reporting practices, including changes in, or adoptions of, accounting standards and principles and disclosure practices;
9. Review with management and the external auditor their qualitative judgments about appropriateness, not just the acceptability, of accounting principles and accounting disclosure practices used or proposed to be used, and particularly, the degree of aggressiveness or conservatism of the Corporation's accounting principles and underlying estimates;
10. Meet with the external auditor and management in separate sessions, as necessary or appropriate, to discuss any matters that the Audit Committee, the external auditor or management believe should be discussed privately with the Audit Committee, provided however that the Audit Committee may request any officer, director or employee of the Corporation, its outside legal counsel or other advisors to attend a meeting of the Audit Committee or to meet with any members of, or advisors to, the Audit Committee and to assist in any such discussions;

D. Public Disclosure Documents

1. Review all public disclosure documents, including but not limited to press releases, containing audited or unaudited financial information, any prospectuses, annual reports, annual information forms, and management's discussion and analysis prior to their public release or filing with securities regulators;

E. Risk Assessment

1. Assess significant risk areas and the Corporation's policies to manage risk including, without limitation, environmental risk, insurance coverage and other areas as determined by the Board from time to time; and

F. Procedures for Complaints

1. Establish procedures for the receipt, retention and treatment of any complaint received by the Corporation regarding accounting, internal accounting controls or auditing matters including procedures for the confidential, anonymous submissions by employees of the Corporation of concerns regarding questionable accounting or auditing matters.