

# HEMOSTEMIX

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

**to be held on Friday, June 9, 2023**

**and**

**MANAGEMENT INFORMATION CIRCULAR**

**Unless otherwise stated, the information herein is current as at April 20, 2023**

## TABLE OF CONTENTS

<b>NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS.....</b>	<b>i</b>
<b>NOTES TO READER.....</b>	<b>- 6 -</b>
INTRODUCTION .....	- 6 -
INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR .....	- 6 -
<b>SOLICITATION OF PROXIES BY MANAGEMENT.....</b>	<b>- 7 -</b>
<b>APPOINTMENT AND REVOCATION OF PROXIES.....</b>	<b>- 8 -</b>
<b>NOTICE TO BENEFICIAL SHAREHOLDERS.....</b>	<b>- 8 -</b>
<b>NOTICE TO SHAREHOLDERS IN THE UNITED STATES.....</b>	<b>- 9 -</b>
<b>VOTING OF PROXIES .....</b>	<b>- 9 -</b>
RECORD DATE .....	- 9 -
SIGNATURE OF PROXY .....	- 9 -
VOTING OF PROXIES .....	- 9 -
EXERCISE OF DISCRETION OF PROXY.....	- 10 -
<b>INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON .....</b>	<b>- 10 -</b>
<b>VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES .....</b>	<b>- 10 -</b>
<b>VOTES NECESSARY TO PASS RESOLUTIONS .....</b>	<b>- 10 -</b>
<b>DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION .....</b>	<b>- 11 -</b>
DIRECTOR AND NEO COMPENSATION, EXCLUDING COMPENSATION SECURITIES .....	- 12 -
EXTERNAL MANAGEMENT COMPANIES .....	- 12 -
STOCK OPTIONS AND OTHER COMPENSATION SECURITIES.....	- 12 -
EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOS.....	- 13 -
STOCK OPTION PLANS AND OTHER INCENTIVE PLANS .....	- 14 -
EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS .....	- 14 -
OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NEO COMPENSATION .....	- 14 -
<b>COMPENSATION.....</b>	<b>- 14 -</b>
<b>AUDIT COMMITTEE .....</b>	<b>- 17 -</b>
AUDIT COMMITTEE CHARTER.....	- 17 -
COMPOSITION OF THE AUDIT COMMITTEE.....	- 17 -
RELEVANT EDUCATION AND EXPERIENCE.....	- 17 -
AUDIT COMMITTEE OVERSIGHT .....	- 17 -
RELIANCE ON CERTAIN EXEMPTIONS .....	- 18 -
PRE-APPROVAL POLICIES AND PROCEDURES.....	- 18 -
EXTERNAL AUDIT SERVICE FEES (BY CATEGORY).....	- 18 -
EXEMPTION .....	- 18 -
<b>CORPORATE GOVERNANCE.....</b>	<b>- 18 -</b>
BOARD OF DIRECTORS .....	- 19 -
DIRECTORSHIPS .....	- 19 -
ORIENTATION AND CONTINUING EDUCATION.....	- 19 -
ETHICAL BUSINESS CONDUCT .....	- 19 -
NOMINATION OF DIRECTORS .....	- 19 -
OTHER BOARD COMMITTEES.....	- 20 -
ASSESSMENTS.....	- 20 -

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS.....- 20 -**

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....- 21 -**

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS .....- 21 -**

**PARTICULARS OF MATTERS TO BE ACTED UPON.....- 21 -**

    ITEM 1 - FINANCIAL STATEMENTS..... - 21 -

    ITEM 2 - ELECTION OF DIRECTORS ..... - 22 -

    ITEM 3 - NOMINEES FOR ELECTION ..... - 22 -

    ITEM 4 - APPOINTMENT OF AUDITOR ..... - 24 -

    ITEM 5 - APPROVAL OF THE AMENDED OPTION PLAN..... - 24 -

**OTHER MATTERS TO BE ACTED UPON..... - 27 -**

**ADDITIONAL INFORMATION ..... - 27 -**

**SCHEDULE “A” AUDIT COMMITTEE CHARTER ..... - 28 -**

**HEMOSTEMIX INC.**  
Suite 1150, 707 - 7 Avenue SW  
Calgary, Alberta T2P 3H6

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON FRIDAY, JUNE 9, 2023**

**NOTICE IS HEREBY GIVEN** that the annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares ("**Shares**") in the capital of Hemostemix Inc. (the "**Corporation**") will be held at Suite 1150, 707 – 7 Avenue SW, Calgary, Alberta, Canada via teleconference on Friday, June 9, 2023 at 11:00 a.m. (MST).

**TO PARTICIPATE, VOTE OR SUBMIT QUESTIONS DURING THE MEETING, PLEASE REFER TO THE FOLLOWING LINK AND DIAL-IN INSTRUCTIONS:**

Link: <https://us06web.zoom.us/meeting/register/tZildO6gqzljGNAHXJAiQ0XRdrPLOGbK6Sjz>  
Meeting ID: 868 3785 9924  
Password: 333895

<b><u>ONE TAP MOBILE</u></b>	<b><u>DIAL BY YOUR LOCATION</u></b>
+16473744685, 5162813723#, *618290# Canada +16694449171, 5162813723#, *618290# US	+1 669 444 9171 US +1 647 374 4685 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 year ended December 31, 2022, the auditor's report thereon, and the related management's discussion and analysis;
2. to fix the number of directors (the "**Board**") of the Corporation at four (4);
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 thought advisable, to approve, with or without amendment, an ordinary resolution, to ratify and approve the Corporation's amended 10% "rolling" stock option plan, as more particularly described in the accompanying Management Information Circular; and
6. to transact such other business as may properly be brought before the Meeting, or any adjournment(s) thereof.

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 20, 2023. 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.**

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

In order to be valid and acted upon at the Meeting, proxies must be received not later than 11:00 a.m. (MST) on June 7, 2023 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.

*Shareholders who are unable to attend the Meeting are requested to **COMPLETE AND SIGN THE ACCOMPANYING FORM OF PROXY** and forward it in the enclosed envelope by mail to the Corporation's transfer agent, Computershare Trust Company of Canada, Attn: Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, or by fax within North America at 1-866-249-7775, or outside North America at (416) 263-9524, not later than 11:00 a.m. (MST) on **June 7, 2023**, or 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement or any adjournment of the Meeting, in order for such proxy to be used at the Meeting, or any adjournment(s) thereof.*

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

Dated at Shanty Bay, Ontario, on April 20, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS**

(Signed) "*Thomas A. Smeenk*"

**Thomas Smeenk,**  
President, Chief Executive Officer  
Hemostemix Inc.

**HEMOSTEMIX INC.**  
Suite 1150, 707 - 7 Avenue SW  
Calgary, Alberta T2P 3H6

**MANAGEMENT INFORMATION CIRCULAR**

**ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**  
as at April 20, 2023 (except as otherwise indicated)

**NOTES TO READER**

**Introduction**

This management information circular dated as of April 20, 2023 (this "**Information Circular**") is furnished in connection with the solicitation of proxies by and on behalf of the management of Hemostemix Inc. ("**Hemostemix**" or the "**Corporation**") for use at the annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Shares**") in the capital of the Corporation to be held at the time and place via teleconference on **Friday, June 9, 2023** or at any postponement(s) or adjournment(s) thereof, for the purposes set forth in the Notice of Meeting accompanying this Information Circular.

The Notice of Meeting, this Information Circular and the accompanying form of proxy are being mailed or delivered to Shareholders of record as at April 20, 2023 (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](http://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 20, 2023 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

### Appointment of Proxyholders

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

### Voting by Proxyholder

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

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

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

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 Attn: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (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](http://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.

## APPOINTMENT AND REVOCATION OF PROXIES

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

### 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 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 or Suite 1150, 707 – 7 Avenue SW, Calgary, Alberta T2P 3H6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

In order to be valid and acted upon at the Meeting, proxies must be received not later than 11:00 a.m. (MST) on **June 7, 2023** 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 many Shareholders, as a substantial number of Shareholders do not hold Shares in their own name. Beneficial Shareholders should note that only those Shareholders whose names appear on the register of the registrar and transfer agent for Hemostemix as Registered Holders or duly appointed proxyholders are recognized and permitted to vote at the Meeting. Many Shareholders are "non-registered" shareholders because the Shares they own are not registered in their names but are instead registered in the names of Intermediaries through which they hold their Shares. More particularly, a person is not a Registered Holder of Shares if such Shares are held on behalf of that person (the "**Beneficial Shareholder**") and are registered either: (a) in the name of an Intermediary that the Beneficial Shareholder deals with in respect of the Shares; or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In Canada, the vast majority of shares are registered in the name of CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms. Shares so held by Intermediaries can only be voted (for or against resolutions) upon the instructions of Beneficial Shareholders. Without specific instructions, Intermediaries are prohibited from voting Shares held for Beneficial Shareholders. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person or that the Shares are duly registered in their name.

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



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

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

### 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.

### VOTING OF PROXIES

#### Record Date

The Record Date for determining the Shareholders entitled to receive notice of and to vote at the Meeting is **April 20, 2023**. Only Shareholders whose names have been entered in the register of Shareholders on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting. **To the extent a Shareholder transfers the ownership of any of its Shares after the Record Date and the transferee of those Shares establishes that it owns such Shares and requests, at least 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting or any postponement(s) or adjournment(s) thereof.**

#### Signature of Proxy

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

#### Voting of Proxies

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

## Exercise of Discretion of Proxy

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

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

Management of the Corporation is not aware of any material interest, whether direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, of any director or executive officer of the Corporation who has held that position at any time since the beginning of the Corporation's financial year ended **December 31, 2022**, 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 10,893,518 Shares (representing approximately 13.43% of the issued and outstanding Shares) as at the Record Date.

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

## VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Record Date for determining the Shareholders entitled to receive notice of and to vote at the Meeting is **April 20, 2023**. 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 Common Shares of the Corporation

The Corporation is authorized to issue an unlimited number of Shares. As at Record Date, April 20, 2023, **81,089,626** 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.

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. This information, not being within the knowledge of the Corporation, has been derived from information provided by such relevant persons or from public sources available to the Corporation.

## 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 resolutions 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, 2022 and as of the date of this Information Circular**, based on the definition above, the NEOs of the Corporation were:

- Peter Lacey, Chairman of the Board
- Thomas A. Smeenk, President and CEO
- Christina Wu, Interim CFO

The Directors of the Corporation **who were not NEOs** during the financial year ended December 31, 2022 were:

- Ronnie A. Hershman
- Loran Swanberg

### ***Actions, Decisions or Policy Changes Made During and after the December 31, 2022 Year-End***

#### ***Year 2022***

There were no management or board of director changes during or after the December 31, 2022 year-end.

1. Peter Lacey was appointed Chairman of the Board and a Director effective March 11, 2020.
2. Thomas Smeenk was appointed interim CEO on February 10, 2020 and was appointed CEO on March 22, 2020.
3. Loran Swanberg was appointed a Director effective April 8, 2020.
4. Christina Wu was appointed Interim CFO on March 5, 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, in any capacity, including for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given, or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Corporation or a subsidiary thereof for financial year ended **December 31, 2022**, and as of the date of the date of this Information Circular.

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 (\$)
<b>Thomas Smeenk<sup>(1)</sup></b> <i>President, CEO and Director</i>	2020	277,077	Nil	Nil	Nil	Nil	277,077
	2021	223,740	Nil	Nil	Nil	Nil	223,740
	2022	208,000	100,000	Nil	Nil	Nil	308,000
<b>Dr. Ronnie Hershman<sup>(2)</sup></b> <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
<b>Christina Wu<sup>(3)</sup></b> <i>Interim CFO</i>	2020	69,267	Nil	Nil	Nil	Nil	69,267
	2021	71,461	Nil	Nil	Nil	Nil	71,461
	2022	65,381	Nil	Nil	Nil	Nil	65,381
<b>Peter Lacey<sup>(4)</sup></b> <i>Chairman of the Board and Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
<b>Loran Swanberg<sup>(5)</sup></b> <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

### Notes:

- (1) Mr. Smeenk was appointed a Director effective November 26, 2019 and was appointed President effective December 9, 2019. In addition, Mr. Smeenk was appointed CEO on March 22, 2020. Mr. Smeenk is compensated in connection with his services to the Corporation.
- (2) Mr. Hershman was appointed a Director effective February 9, 2020.
- (3) Ms. Wu was appointed interim CFO on March 5, 2020. This amount comprises fees for professional services provided by Marrelli Support Services Inc., a company of which Christina Wu is an employee.
- (4) Mr. Lacey was appointed Chairman of the Board and a Director effective March 11, 2020.
- (5) Mr. Swanberg was appointed a Director effective April 8, 2020.

### External Management Companies

Mr. Smeenk, who currently serves as President and CEO of the Corporation, is not an employee of the Corporation. Ms. Wu, who currently serves as the interim CFO of the Corporation, is not an employee of the Corporation.

## Stock Options and Other Compensation Securities

The following table discloses all compensation securities issued and outstanding to each director and NEO by the Corporation or one of its subsidiaries **during the financial year ended December 31, 2022**, 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 <sup>(1)</sup>	Number of Compensation Securities and Percentage of Class <sup>(2)(3)(4)</sup>	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, 2022 (\$)	Expiry Date
Peter Lacey <i>Chairman of the Board and Director</i>	Options	161,956 (11.30%)	Feb 28, 2022	\$0.17	\$0.17	\$0.18	Feb 28, 2027
	Options	555,000 (10.39%)	Dec 31, 2020	0.70	0.70	0.70	Dec 31, 2025
Loran Swanberg <i>Director</i>	Options	45,830 (3.20%)	Feb 28, 2022	\$0.17	\$0.17	\$0.18	Feb 28, 2027
	Options	416,500 (7.80%)	Dec 31, 2020	0.70	0.70	0.70	Dec 31, 2025
Dr. Ronnie Hershman <i>Director</i>	Options	121,467 (8.47%)	Feb 28, 2022	\$0.17	\$0.17	\$0.18	Feb 28, 2027
	Options	416,500 (7.80%)	Dec 31, 2020	0.70	0.70	0.70	Dec31, 2025
Thomas Smeenk <i>President, CEO and Director</i>	Options	420,528 (29.33%)	Feb 28, 2022	\$0.17	\$0.17	\$0.18	Feb 28, 2027
	Options	1,388,400 (25.99%)	Dec 31, 2020	0.70	0.70	0.70	Dec 31, 2025
Christina Wu <i>Interim CFO</i>	Options	0 (0%)	Feb 28, 2022	\$0.17	\$0.17	\$0.18	Feb 28, 2027
	Options	138,000 (2.58%)	Dec 31, 2020	0.70	0.70	0.70	Dec 31, 2025

### Notes:

- (1) The Corporation has one stock option plan, the Option Plan. For further particulars in respect of the Option Plan, see under the headings "Particulars of Matters to be Acted Upon – Annual Approval of the Option Plan" and "Director and Named Executive Officer Compensation – Oversight and Description of Director and NEO Compensation – Compensation Objectives and Elements of NEOs Compensation – Option Awards".
- (2) Each Option entitles the holder thereof to acquire one (1) Share.
- (3) As at December 31, 2022, 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, 2022 was 4,413,963 (65.14%).
- (4) During the year-end, on February 28, 2022, the Corporation granted 1,433,694 Options to directors, officers, employees and consultants of the Corporation, at an exercise price of \$0.17 per common share and have an expiry date of February 28, 2027. Of the Options granted, 1,133,694 vest immediately and 300,000 vest 50% immediately and 50% on February 28, 2023. 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 20, 2023 were 4,413,963 (65.14%). As of the date of this Information Circular, the total number of Options issued and outstanding is 6,775,694.

### Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by any director or NEO during the year ended December 31, 2022.

No compensation security has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year.

## **Stock Option Plans and Other Incentive Plans**

The Corporation has one stock option plan, the Option Plan. For further particulars in respect of the Option Plan, see under the headings "*Particulars of Matters to be Acted Upon – 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 **August 31, 2022**. 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**

The amount paid to Christina Wu, interim CFO, comprises fees for professional services provided by Marrelli Support Services Inc., a company of which Christina Wu is an employee.

## **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 wishes to provide information about the Corporation's executive compensation objectives and processes and to discuss compensation decisions relating to its NEOs and directors listed in the compensation tables that follow.

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 year ended December 31, 2022, and related management's discussion and analysis for the year ended December 31, 2022, which have been filed with regulators and are available for review under the Corporation's profile under the Corporation's corporate profile at [www.sedar.com](http://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).

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 further development and commercialization of the technologies. 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, 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.

All payments made in 2022 are reflected in the audited financial statements. Similar to the determination of base salaries, consideration is given by the Compensation Committee to the Corporation's compensation peer group and other factors including the overall Corporation's performance and employee performance when determining if any cash bonuses were to be paid.

Proposed cash bonuses for NEOs, excluding the CEO, will be recommended by the CEO, reviewed by the 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, 2022

During the year ended December 31, 2022, 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.

As at December 31, 2022, the Company had \$nil in accounts payable and accrued liabilities owing to the previous management company, previous contract manufacturing company, and previous Chief Medical Officer (December 31, 2021 - \$1,044,544). The majority of this balance arose based on expenses paid on behalf of the Company. Some of these expenditures are subject to dispute. The balance was settled in full. Please see note 12.

#### *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 of Directors and corporate officers. The following includes all compensation to key management personnel:

The Company recorded share based compensation expense for the year ended December 31, 2022 of \$95,088 (year ended December 31, 2021 - \$288,996) to the current management and directors of the Company.

For the year ended December 31, 2022, the Company incurred \$308,000 (year ended December 31, 2021 - \$223,740) to Mr. Thomas Smeenk for consulting services. As at December 31, 2022, Mr. Smeenk was owed \$nil (December 31, 2021 - \$9,323) and this amount was included in accounts payable and accrued liabilities.

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 adopted an incentive stock option plan (as described below, the "**Option Plan**") which 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 (1) 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. During the year-ended December 31, 2022, on February 28, 2022, 1,433,694 Options were granted to various officers, directors and consultants of the Corporation, The Options granted have an exercise price of \$0.17 and an expiry date of February 28, 2027. 1,133,694 of these Options will vest immediately. The remaining 300,000 Options will vest 50% immediately with the remaining 50% fully vested on February 29, 2023. Subsequent to the year-end, no Options were granted. As of the date of this Information Circular, 6,775,694 Options are outstanding.



### ***Non-executive Director Compensation***

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

### ***Significant events and actions or decisions made during the financial year ended December 31, 2022 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, 2022 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, 2022 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, 2020 and 2021 are as follows:

Financial Year Ending <sup>(1)</sup>	Audit Fees	Audit-Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
December 31, 2022	\$124,000	Nil	\$6,000	\$8,680
December 31, 2021	\$109,000	Nil	\$3,500	\$4,270

### 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 members of the Corporation's corporate governance committee (the "Corporate Governance Committee") of the Board 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 following directors are board members of other reporting issuers as follows:

Name of Director	Name of Reporting Issuer	Exchange
Nil	Nil	Nil

## 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 Corporate Governance Committee and the Compensation Committee.

### Assessments

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

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information, as of the date of this Information Circular, 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, broker warrants and rights <sup>(1)</sup>	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	6,775,694 Options <sup>(2)</sup>	\$0.60 per Option	798,607 <sup>(3)</sup>
Equity compensation plan not required to be approved by securityholders	1,014,871 warrants <sup>(4)</sup>	\$0.34 per warrant	Nil
<b>TOTAL:</b>	<b>7,790,565<sup>(2)(4)</sup></b>		<b>798,607<sup>(3)</sup></b>

**Notes:**

- (1) Shares issuable upon exercise of outstanding Options, warrants and/or rights.
- (2) During the year-ended on February 28, 2022, the Corporation granted 1,433,694 Options at an exercise price of \$0.17 and an expiry date of February 28, 2027. 1,133,694 of these Options will vest immediately, with the remaining 300,000 Options vesting at 50% immediately and 50% fully vested on February 29, 2023. Subsequent to the year-ended, no Options were granted. As at the date of this Information Circular, there are 6,775,694 Options outstanding under the Option Plan (December 31, 2021 - 5,342,000).
- (3) As at December 31, 2022, there were 75,743,019 Shares issued and outstanding, accordingly, based on the terms of the Option Plan, there was a maximum of 7,574,301 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 81,089,626 Shares issued and outstanding, accordingly, based on the terms of the Option Plan, there was a maximum of 8,108,963 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 6,775,694 Options outstanding under the Option Plan, there remains available 1,332,269 Options available for future issuance under the Option Plan.
- (4) These noted "warrants", consisted of an aggregate of broker warrants and agent securities-based compensation, which are exercisable for units consisting of one (1) Share and one (1) additional warrant, with each additional whole warrant being exercisable for one (1) Share. As of the date of this Information Circular, there are 1,014,871 broker warrants issued and outstanding (December 31, 2021 – 519,147).

## 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 the audited financial statements for the Corporation's most recently completed year ended December 31, 2022, including but not limited to as described 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, 2022 or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

The Corporation recorded share-based compensation expense for the year ended December 31, 2022 of \$150,090 (year ended December 31, 2021 - \$288,996) to the current management and directors of the Corporation.

As at December 31, 2022, the Corporation had \$nil in accounts payable and accrued liabilities owing to the previous management company, previous contract manufacturing company, and previous Chief Medical Officer (December 31, 2021 - \$1,044,544). The majority of this balance arose based on expenses paid on behalf of the Corporation. Some of these expenditures were subject to dispute. The balance was settled in full. Please see note 12.

For the year ended December 31, 2022, the Corporation incurred \$308,000 (year ended December 31, 2021 - \$223,740) to Mr. Thomas Smeenk, President, Chief Executive Officer and a Director of the Corporation for consulting services. As at December 31, 2022, Mr. Smeenk was owed \$nil (December 31, 2021 - \$9,323) and this amount was included in accounts payable and accrued liabilities.

Subsequent to the year ended December 31, 2022, on January 17, 2023, Loran Swanberg, a Director of the Corporation, loaned the Corporation \$100,000. The terms of the loan: Demand Loan. Interest: 10%, payable in shares of the Corporation. Fee: 5%, payable in shares of the Corporation at the Closing Price of a Private Placement. The principal, interest and fees associated to the loan are being converted into equity.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### ITEM 1 - FINANCIAL STATEMENTS

The audited consolidated comparative financial statements of the Corporation for the year ended December 31, 2022, together with the auditors' report thereon, and related management's discussion and analysis, will be placed before the Shareholders at the Meeting.

## ITEM 2 - 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 (4).

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.

## ITEM 3 - NOMINEES FOR ELECTION

The Board has determined that the number of directors for the ensuing year will be four. 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 20, 2023.

<b>Name, Jurisdiction of Residence</b>	<b>Period as a Director of the Corporation</b>	<b>Present Principal Occupation and Positions Held During Past Five Years</b>	<b>Number of Common Shares Owned Beneficially or Subject to Direction or Control</b>
<b>Peter Lacey</b> <sup>(1)(2)(3)</sup> 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.	6,246,222 <sup>(4)</sup>
<b>Thomas Smeenk</b> 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.	1,484,594
<b>Dr. Ronnie Hershman</b> <sup>(1)(2)(3)</sup> 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.	566,257
<b>Loran Swanberg</b> <sup>(1)(2)(3)</sup> Director Alberta, Canada	Since April 8, 2020	Self-employed Businessman.	2,596,445 <sup>(5)</sup>

### Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance Committee.
- (3) Member of the Compensation Committee.
- (4) 150,000 of these Commons Shares are held in the name of Summerhill Investment Corp., a private company owned by Mr. Lacey.
- (5) Of these Common Shares, 977,945 Shares are held in the name LTUS Ltd., a private company held jointly by Mr. Swanberg and his spouse; 765,000 Shares held in the name Landsman Properties Ltd., a private company owned 50% by Mr. Swanberg; 95,000 Shares held by Mr. Swanberg's spouse directly and 758,500 are held by Mr. Swanberg directly.

## ***Director Biographies***

### **Peter Lacey, Chairman of the Board and Director**

Peter Lacey was the founder and Chairman of Cervus Equipment Corporation (TSX:CERV), a Canadian public company headquartered in Calgary, Alberta, Canada. Cervus was sold to Brandt Tractor in late 2021.

Mr. Lacey has served on numerous public and private companies and in various roles as Board Chairman, Audit Committee Chair and Board Director. Mr. Lacey also served on the Red Deer College Board of Governors for 7 years as Chairman and Board member. 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 was a director from 1992 to 2005 in the Swanberg family's privately owned oilfield trucking company, Swanberg Bros. Trucking Ltd. In 2005, the company was rolled into Producers Oilfield Services Inc., at which time he stepped down.

Mr. Swanberg has been on and is currently a director of several private company boards. He was a director with the Northern B.C. Truckers' Association for ten (10) years.

### ***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.

### **ITEM 4 - 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 year ended December 31, 2022 and 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 Accountants, as the auditors of the Corporation.**

### **ITEM 5 - APPROVAL OF THE AMENDED ROLLING 10% STOCK OPTION INCENTIVE PLAN**

The Corporation has in place a 10% "rolling" stock option plan which was most recently re-approved by Shareholders at the Corporation's last annual general meeting of Shareholders held on August 31, 2022.

On November 24, 2021, the TSX Venture Exchange put into effect a revised policy governing security-based compensation entitled "Policy 4.4 – Security Based Compensation" (the "**New Policy**"). The changes in the policy relate to, among other things, the expansion of the policy to cover a number of types of security-based compensation in addition to stock options. In light of the New Policy, the Company has amended its stock option plan (the "**Amended Stock Option Plan**") to align with the wording and provisions of the New Policy, though it remains similar in substance. A copy of the Amended Stock Option Plan can be requested from the Company and copies will be available at the Meeting. Some of the key provisions of the Amended Stock Option Plan are as follows:

- (a) the maximum aggregate number of common shares reserved for issuance under the Amended Stock Option Plan shall not exceed such number of common shares as is equal to 10% of the common shares of the Company issued and outstanding at the time of grant of a stock option calculated in accordance with the policies of the Exchange;
- (b) stock options granted under the Amended Stock Option Plan shall have a maximum term of ten years from the date of issue (subject to extension where the expiry date falls within a blackout period (see (i) below));
- (c) the minimum exercise price per common share of a stock option shall not be less than the Market Price of the common shares of the Company, subject to a minimum exercise price of \$0.05;
- (d) stock options may only be granted to Directors, Officers, Employees, Consultants or Management Company Employees of the Company or its subsidiaries (or companies that are wholly owned by such individuals) or to Eligible Charitable Organizations;



- (e) stock option grants are limited as follows:
  - (i) to any one Person – the number of common shares reserved for issuance to any Person in any 12 month period under the Amended Stock Option Plan and any other Security Based Compensation Plan shall not exceed 5% of the common shares outstanding at the time of the grant, unless the Company has obtained disinterested shareholder approval to exceed such limit;
  - (ii) to Consultants – the number of common shares reserved for issuance to any one Consultant in any 12 month period under the Amended Stock Option Plan and any other Security Based Compensation Plan, shall not exceed 2% of the common shares outstanding at the time of the grant;
  - (iii) to Investor Relations Service Providers – the aggregate number of common shares reserved for issuance to all Investor Relations Service Providers in any 12 month period under the Amended Stock Option Plan shall not exceed 2% of the common shares outstanding at the time of the grant;
  - (iv) to Eligible Charitable Organizations – the number of common shares reserved for issuance pursuant to all outstanding Charitable Stock Options shall not exceed 1% of the common shares outstanding at the time of grant and any Charitable Stock Options granted to Eligible Charitable Organizations will not be included within the maximum limit prescribed in (a) above; and
  - (v) to Insiders – unless the Company has received disinterested shareholder approval to do so, the aggregate number of common shares reserved for issuance to Insiders under the Amended Stock Option Plan and any other Security Based Compensation Plan shall not exceed 10% of the common shares outstanding at any point in time and the aggregate number of common shares reserved for issuance to Insiders in any 12 month period under the Amended Stock Option Plan and any other Security Based Compensation Plan shall not exceed 10% of the common shares outstanding at the time of the grant;
- (f) the Board shall determine the manner in which stock options shall vest and become exercisable, notwithstanding that stock options granted to Investor Relations Service Providers shall vest in stages over a period of no less than 12 months with: (i) no more than one-quarter of such stock options vesting no sooner than 3 months after grant; (ii) no more than one-quarter of such stock options vesting no sooner than 6 months after grant; (iii) no more than one-quarter of such stock options vesting no sooner than 9 months after grant; and (iv) no more than one-quarter of such stock options vesting no sooner than 12 months after grant;
- (g) stock options are non-assignable and non-transferable;
- (h) the expiry date of a stock option shall be the earlier of the date fixed by the Board, and: (i) the date on which the stock option holder ceases to be a Director, Officer, Employee, Consultant or Management Company Employee for reason of termination for cause; (ii) in the event of the death of the stock option holder while he or she is a Director, Officer, Employee, Consultant or Management Company Employee, 12 months from the date of the death of such stock option holder; (iii) in the event that the stock option holder ceases to be a Director, Officer, Employee, Consultant or Management Company Employee other than by reason of death or termination for cause, 90 days following the date such stock option holder ceases to be a Director, Officer, Employee, Consultant or Management Company Employee; (iv) in the event that the stock option holder ceases to be an Investor Relations Service Provider, 30 days following the date such stock option holder ceases to be an Investor Relations Service Provider; and (v) no later than 90 days following the date a stock option holder ceases to be an Eligible Charitable Organization;
- (i) stock options will be automatically extended past their expiry date if such expiry date falls within a blackout period during which the Company prohibits stock option holders from exercising their options, subject to the following requirements: (i) the blackout period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information; (ii) the blackout period must expire following the general disclosure of the undisclosed Material Information and the expiry date can be extended to no later than 10 business days after the expiry of the blackout period; (iii) the automatic extension of the stock options will not be permitted where the stock option holder or the Company is subject to a cease trade order (or similar order under Securities - 9 - Laws) in respect of the Company's securities; and (iv) the automatic extension is available under the same terms and conditions to all stock option holders for whom the blackout period applied;
- (j) in connection with the exercise of a stock option, as a condition to such exercise, and subject to the policies of the Exchange, the Company shall require the stock option holder to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such stock option;

- (k) upon the occurrence of an Accelerated Vesting Event (as defined in the Amended Stock Option Plan), the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any stock option, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (i) accelerating the vesting of stock options, conditionally or unconditionally; (ii) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of common shares under such transaction; (iii) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (iv) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Amended Stock Option Plan be final, conclusive and binding;
- (l) disinterested shareholder approval must be obtained for any reduction in the exercise price of a stock option or the extension of the term of a stock option if the stock option holder is an Insider of the Company at the time of the proposed amendment; and
- (m) the Amended Stock Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of a stock option in the event of a share consolidation or split, or reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, spin-off or any other change to or transaction affecting the Company's common shares.

"Consultant", "Director", "Eligible Charitable Organization", "Employee", "Insider", "Investor Relations Service Provider", "Management Company Employee", "Market Price", "Material Information", "Officer", "Person", "Securities Laws" and "Security Based Compensation Plan" all have the same definition as in the policies of the TSX Venture Exchange. Management recommends, and the persons named in the enclosed Proxy intend to vote in favour of, the approval of the Amended Stock Option Plan.

**Management recommends, and the persons named in the enclosed Proxy intend to vote in favour of, the approval of the Amended Stock Option Plan.**

The text of the resolution to be passed is as follows. In order to be passed, a majority of the votes cast at the Meeting in person or by Proxy must be voted in favour of the resolution.

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

1. subject to regulatory approval, Hemostemix Inc.'s (the "**Corporation**") rolling 10% stock option plan, as amended, is hereby ratified and approved with such additional provisions and amendments, provided that such are not inconsistent with the policies of the TSXV, as the director of the Corporation may deem necessary or advisable;
2. the form of the amended stock option plan may be amended in order to satisfy the requirements or requests of any regulatory authorities, or at the discretion of the board of directors of the Corporation (the "**Board**") acting in the best interests of the Corporation without requiring further approval of the shareholders of the Corporation; and
3. any one director or officer of the Corporation be and is hereby authorized and directed, upon the Board resolving to give effect to this resolution, to take all necessary steps and proceedings, and to execute, deliver and file any and all applications, declarations, documents and other instruments and do all such other acts or things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to the provisions of this resolution."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. **Unless otherwise directed by the Shareholders appointing them as proxyholder, the persons named in the accompanying form of proxy intend to vote all Shares in respect of which they are appointed proxyholder FOR the approval of the Amended Stock 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](http://www.sedar.com) or our website at [www.hemostemix.com](http://www.hemostemix.com).

Additional financial information is provided in Hemostemix's audited consolidated financial statements and management's discussion and analysis for financial year ended December 31, 2022.

Copies of the audited consolidated comparative financial statements and management's discussion and analysis for the years ended December 31, 2022, this Information Circular, the accompanying form of proxy or other documents referred to in this Information Circular and separately available at [www.sedar.com](http://www.sedar.com) may be made available by making a written request to Hemostemix at Suite 1150, 707 - 7 Avenue SW Calgary, Alberta T2P 3H6. If you are a securityholder, such copies will be promptly provided free of charge upon written request.

Dated at Shanty Bay, Ontario, April 20, 2023.

## BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Thomas Smeenk* "

**Thomas Smeenk,**  
President and Chief Executive Officer  
Hemostemix Inc.

## SCHEDULE "A"

### HEMOSTEMIX INC.

#### AUDIT COMMITTEE CHARTER

##### 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.

