



**ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS**

TO BE HELD ON WEDNESDAY, JULY 31, 2024

**NOTICE OF MEETING
AND MANAGEMENT INFORMATION CIRCULAR**

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF RESVERLOGIX CORP. OF PROXIES TO BE VOTED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF RESVERLOGIX CORP. TO BE HELD ON WEDNESDAY, JULY 31, 2024.

**TO BE HELD AT:
Mount Royal University
Roderick Mah Centre for Continuous Learning
Ross Glen Hall, Room EC1040
4825 Mount Royal Gate SW
Calgary, Alberta**

At 1:00 p.m. (Calgary Time)

Dated: June 14, 2024

RESVERLOGIX CORP.

NOTICE OF ANNUAL AND SPECIAL MEETING TO BE HELD ON JULY 31, 2024

To: The holders of common shares (the “**Common Shares**”):

TAKE NOTICE that an Annual and Special Meeting (the “**Meeting**”) of the shareholders of Resverlogix Corp. (the “**Corporation**”) will be held on Wednesday, July 31, 2024 at 1:00 p.m. (Calgary time), at Mount Royal University, Roderick Mah Centre for Continuous Learning, Ross Glen Hall, Room EC1040, 4825 Mount Royal Gate SW, Calgary, Alberta for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended December 31, 2023 and the report of the auditors thereon;
2. to set the number of directors to be elected at the Meeting at four (4);
3. to elect directors for the ensuing year as described in the Management Information Circular accompanying this Notice (the “**Management Information Circular**”);
4. to appoint the auditor for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
5. to consider, and if thought fit, approve, with or without modification, an ordinary resolution approving the unallocated options, rights and other entitlements available under the Corporation’s security based compensation plans, as more particularly set forth in the Management Information Circular;
6. to consider, and if thought fit, approve, with or without modification, an ordinary resolution approving certain amendments to the secured convertible debenture of the Corporation held by an affiliate of Shenzhen Hepalink Pharmaceutical Group Co., Ltd., as more particularly set forth in the Management Information Circular; and
7. to transact such other business that may properly come before the Meeting or adjournments thereof.

The details of all matters to be put before shareholders at the Meeting are set forth in the Management Information Circular accompanying this Notice of Meeting. At the Meeting, shareholders will be asked to consider and vote on each of the foregoing items.

The board of directors has fixed the close of business on June 10, 2024 as the record date for determining holders of Common Shares who are entitled to notice of and to attend and vote at the Meeting.

Your participation as a shareholder is very important to the Corporation. Please ensure your Common Shares are represented at the Meeting.

DATED at Calgary, Alberta, this 14th day of June, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Donald J. McCaffrey*”

Donald J. McCaffrey
Chairman, President, CEO and Secretary

RESVERLOGIX CORP.

MANAGEMENT INFORMATION CIRCULAR

For the Annual and Special Meeting of Shareholders
to be held on Wednesday, July 31, 2024

PROXIES

Solicitation of Proxies

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of Resverlogix Corp. (the “Corporation”) for use at the Annual and Special Meeting of the holders (the “Shareholders”) of common shares (the “Common Shares”) of the Corporation to be held on Wednesday, July 31, 2024, at Mount Royal University, Roderick Mah Centre for Continuous Learning, Ross Glen Hall, Room EC1040, 4825 Mount Royal Gate SW, Calgary, Alberta at 1:00 p.m. (Calgary time) and at any adjournment thereof (the “Meeting”), for the purposes set forth in the accompanying Notice of Meeting. Only Shareholders of record at the close of business on June 10, 2024 (the “Record Date”) are entitled to notice of, and to attend and vote at, the Meeting, unless a Shareholder has transferred any Common Shares subsequent to that date and the transferee Shareholder establishes ownership to the Common Shares and demands, not later than 10 days before the Meeting, that the transferee’s name be included on the list of Shareholders. The effective date of all information set forth in this Management Information Circular (the “Effective Date”) is June 14, 2024, except where otherwise indicated herein.

Notice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many Shareholders of the Corporation, as a substantial number of the Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the brokers/nominees are prohibited from voting Common Shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of securityholders’ meetings. Every intermediary/broker 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 Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically mails a scannable “voting instruction form” in lieu of the form of proxy. Beneficial Shareholders are requested to complete and submit the voting instruction form to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free telephone number or access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and vote the Common Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that voting

instruction form to vote Common Shares directly at the Meeting. The voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Beneficial Shareholders who receive forms of proxies or voting materials from organizations other than Broadridge should complete and return such forms of proxies or voting materials in accordance with the instructions on such materials in order to properly vote their Common Shares at the Meeting.

Beneficial Shareholders who wish to appear in person and vote at the Meeting must appoint themselves as proxy by inserting their name in the blank space on the Form of Proxy or voting instruction form provided to them and return same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

Management of the Corporation intends to pay for intermediaries to forward to objecting beneficial owners under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* the Meeting materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary.

Appointment and Revocation of Proxies

Shareholders are requested to complete and return the accompanying form of proxy ("**Form of Proxy**"). The Form of Proxy shall be completed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. In order to be effective, the Form of Proxy must be deposited at the office of the Corporation's transfer agent, Computershare Trust Company of Canada ("**Computershare**"), Proxy Department, by mail to 135 West Beaver Creek, P.O. Box 300, Richmond Hill, ON L4B 4R5, by hand at 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1, or by phone at 1-866-732-8683, or by internet at www.investorvote.com, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting.

The persons named in the Form of Proxy are directors and/or officers of the Corporation. A person or corporation submitting the Form of Proxy has the right to appoint a person (who does not have to be a Shareholder) to be their representative at the Meeting, other than the persons designated in the Form of Proxy furnished by the Corporation. Such appointment may be exercised by inserting the name of the appointed representative in the space provided for that purpose. A Shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and should instruct him or her as to how the Shareholder's Common Shares are to be voted.

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited at the Corporation's registered office at Suite 600, 815 – 8th Avenue SW, Calgary, Alberta, T2P 3P2, at any time prior to 4:30 p.m. (Calgary time) on the last business day preceding the day of the Meeting at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting, and upon either of such deposits, the proxy is revoked.

Voting by Internet

The Corporation's Shareholders may use the internet site at www.investorvote.com to transmit their voting instructions. Shareholders should have the form of proxy in hand when they access the web site. Shareholders will be prompted to enter their Control Number, which is located on the Form of Proxy. If Shareholders vote by internet, their vote must be received not later than 1:00 p.m. (Calgary time) on July 29, 2024 or 48 hours prior to the time of any adjournment of the Meeting. **The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid**

one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

Persons Making the Solicitation

This solicitation is made on behalf of management of the Corporation. The costs incurred in the preparation and mailing of the Form of Proxy, Notice of Meeting and this Management Information Circular and the solicitation of proxies will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, or by other means of communication or by the directors, officers and employees of the Corporation, who will not be remunerated therefor.

Exercise of Discretion by Proxies

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting on any poll at the Meeting and where the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted in accordance with the specification so made.

In the absence of such specification, such Common Shares will be voted IN FAVOUR of the matters to be acted upon as set out herein. The persons appointed under the Form of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Form of Proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting or any other matters are properly brought before the Meeting, it is the intention of the persons designated in the enclosed Form of Proxy to vote in accordance with their best judgment on such matter. At the time of printing this Management Information Circular, the management of the Corporation knows of no such amendment, variation or other matter.

Quorum

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of shareholders of the Corporation if at least two persons are present in person or by proxy representing not less than five percent (5%) of the outstanding shares of the Corporation entitled to be voted at the meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares, an unlimited number of Preferred Shares and 75,202,620 Royalty Preferred Shares. As at the Effective Date, the Corporation has 275,232,427 Common Shares issued and outstanding, nil Preferred Shares issued and outstanding and 75,202,620 Royalty Preferred Shares issued and outstanding.

The Common Shares are the only shares entitled to be voted at the Meeting. Holders of Common Shares of record at the close of business on the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any of his Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he owns the Common Shares, and demands not later than (10) days before the day of the Meeting that his name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his Common Shares at the Meeting.

Except as set forth below, to the knowledge of the directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

Beneficial Owner	Number of Common Shares Held	Percentage of Outstanding Common Shares
Shenzhen Hepalink Pharmaceutical Co., Ltd. China	85,286,524	31.0%
Eastern Capital Limited Cayman Islands	27,712,879	10.1%

MATTERS TO BE ACTED UPON AT THE MEETING

1. Presentation of Financial Statements

The consolidated financial statements of the Corporation for the year ended December 31, 2023, together with the auditor's report on those financial statements, have been mailed to the registered Shareholders of the Corporation and those Beneficial Shareholders who responded to the Corporation's supplemental mail list card. These financial statements are also available on the internet on the Corporation's SEDAR+ profile at www.sedarplus.ca.

2. Fixing the Number of Directors and Election of Directors

The Articles of the Corporation provide that the minimum number of directors shall be three and the maximum number shall be 12. There are currently four (4) directors. At the Meeting, Shareholders will be asked to set the board of directors of the Corporation (the "**Board**") at four (4) and to elect four (4) directors to serve until the next annual general meeting, or until their respective successors have been elected or appointed. **Unless otherwise directed, the Common Shares of the Corporation represented by proxy in favour of management designees will be voted FOR the election of nominees herein listed.**

Majority Voting

On the recommendation of the Corporation's Corporate Governance and Nominating Committee, the Board has adopted an individual voting standard for the election of directors. Under such individual voting standard, in the event that any nominee for election receives more "withheld" votes than "for" votes at any meeting at which shareholders vote on the uncontested election of directors, such nominee shall immediately tender his or her resignation to the Board, to be effective on acceptance by the Board. A nominee who tenders a resignation shall not participate in a meeting of the Board or any sub-committee of the Board at which the resignation is considered. The Board shall consider the resignation and disclose by press release its decision whether to accept that resignation and the reason for its decision no later than 90 days after the date of the resignation, and the board of directors may fill any vacancy created thereby. A copy of the news release shall be provided to the TSX. The Board shall accept the resignation absent exceptional circumstances.

Nominees for Election

Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the proxy to vote the Common Shares represented by proxy for the election of any other person or persons as directors unless the Shareholder has directed that the Common Shares be withheld from voting on the election of directors.

The directors of the Corporation are nominated by Shareholders of the Corporation at each annual meeting of shareholders. All directors serve until the next annual meeting or until a successor is elected or appointed, unless his position is earlier vacated. The Board currently consists of four (4) directors, all of whom are

standing for re-election. The name, residence, date of appointment, principal occupation, and number of Common Shares beneficially owned or over which control or direction is exercised directly or indirectly, with respect to each of the four (4) nominees as directors of the Corporation is set forth below.

<u>Name and Residence</u>	<u>Director Since</u>	<u>Principal Occupation</u>	<u>Common Shares Beneficially Owned, Controlled or Directed as at Effective Date⁽¹⁾</u>
Donald J. McCaffrey Alberta, Canada	April 25, 2003	President, CEO, Chair of the Board and Secretary of the Corporation. Chair of the board of directors, President and CEO of Zenith Capital Corp., a biotechnology investment company.	5,263,266
Kelly McNeill ⁽²⁾⁽³⁾⁽⁴⁾ Manitoba, Canada	October 15, 2009	CEO of RTDS Technologies Inc., a company that provides real time digital power system simulation. Director of Zenith Capital Corp.	105,000
Siu Lun (Dicky) To ⁽²⁾⁽³⁾⁽⁴⁾ Hong Kong	December 19, 2019	Partner of ORI Capital, a healthcare fund manager, since 2019. From 2005 to 2019, Mr. To served as a Partner with RSM Hong Kong, an accounting and consulting firm.	Nil
Kenneth Zuerblis ⁽²⁾⁽³⁾⁽⁴⁾ Florida, U.S.A.	September 29, 2010	Retired Certified Public Accountant. Director of Zenith Capital Corp.	107,062

Notes:

- (1) Common Shares beneficially owned or over which control or direction is exercised, directly or indirectly, as at the Effective Date, is based upon the information furnished to the Corporation by the above individuals.
- (2) Directors who are currently members of the Corporation's Audit and Finance Committee. Mr. Zuerblis is the Chair.
- (3) Directors who are currently members of the Corporation's Corporate Governance and Nominating Committee. Mr. McNeill is the Chair.
- (4) Directors who are currently members of the Corporation's Compensation and HR Committee. Mr. McNeill is the Chair.

Cease Trade Orders or Bankruptcies and Sanctions

No proposed director is as at the date hereof, or has been within ten years before the date hereof, a director or chief executive officer or chief financial officer of any company (including the Corporation) that, while he was acting in such capacity: (i) was the subject of a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or (ii) was subject to an event that resulted, after the director ceased to be a director or chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

In addition, except as set forth below, no proposed director is as at the date hereof, or has been within ten years before the date hereof, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets. No proposed director has, within ten years before the date hereof, 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.

Mr. McNeill was the Chief Financial Officer of IMRIS Inc. ("**IMRIS**") from 2009 until his resignation on September 5, 2014. IMRIS was a biomedical company that was a reporting issuer in all provinces of Canada and at the time of Mr. McNeill's resignation was listed on TSX and NASDAQ. On May 26, 2015, IMRIS and

certain of its subsidiaries filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware which granted a stay of proceedings against IMRIS. On June 3, 2015, the Manitoba Court of Queen's Bench granted an initial recognition order under the Companies' Creditors Arrangement Act (Canada) recognizing the Chapter 11 proceedings and granting a stay of proceedings against IMRIS.

3. **Appointment of the Auditor**

RSM Canada LLP, Chartered Professional Accountants, of Toronto, Ontario, is the current auditor of the Corporation. At the Meeting, Shareholders will be requested to re-appoint RSM Canada LLP, Chartered Professional Accountants, as the independent auditor of the Corporation to hold office until the next annual meeting of the Shareholders and to authorize the Board to fix the auditor's remuneration.

Unless otherwise directed, the Common Shares represented by proxies in favour of the management designees will be voted FOR the appointment of RSM Canada LLP, Chartered Professional Accountants, of Toronto, Ontario, as auditor of the Corporation and to authorize the directors to fix their remuneration.

4. **Approval of the Unallocated Options, Rights and Other Entitlements Available Under the Corporation's Security Based Compensation Plans**

Pursuant to Section 613 of the TSX Company Manual, all unallocated options, rights or other entitlements under a security based compensation arrangement, which does not have a fixed maximum aggregate of securities issuable, must be approved and ratified by a majority of the Corporation's Shareholders at least every three years. The Shareholders last approved the unallocated options, rights and other entitlements available under the Corporation's stock option plan (the "**Option Plan**"), long term incentive plan (the "**LTIP**") and Deferred Share Unit Plan (the "**DSU Plan**") on June 22, 2021. The aggregate number of Common Shares that may be issued from treasury pursuant to the Option Plan, LTIP and DSU Plan is limited to 10% of the issued and outstanding Common Shares of the Corporation, rather than a fixed number. As the three-year term prescribed by the TSX expires on June 22, 2024, at the Meeting Shareholders will be asked to approve an ordinary resolution approving the unallocated options, rights and other entitlements available under the Option Plan, LTIP and DSU Plan. This approval will be effective for three years from the date of the Meeting. The terms and conditions of the Option Plan, LTIP and DSU Plan are summarized below.

There have not been any amendments to the Option Plan, LTIP or DSU Plan since they were last approved by Shareholders in 2021, other than amendments to the LTIP and DSU Plan to prescribe limits on the percentage of the outstanding Common Shares that may be issued to any one participant pursuant to awards granted pursuant to these plans.

Option Plan

Purpose and Eligibility

The purpose of the Corporation's Option Plan is to afford individuals who provide services to the Corporation or any of its subsidiaries or affiliates, including directors, officers, employees, or service providers, an opportunity to obtain a proprietary interest in the Corporation by permitting them to purchase Common Shares of the Corporation and to aid in attracting, as well as retaining and encouraging the continued involvement of, such individuals with the Corporation.

Under the Option Plan the Board may, from time to time, grant options to purchase Common Shares to directors, officers, employees, consultants and other eligible service providers of the Corporation and its subsidiaries and affiliates, if any. The Option Plan is a "10% rolling plan" in that it continuously provides for the reservation of a number of Common Shares under the Option Plan, including other securities based compensation arrangements, equal to 10% of the Corporation's issued and outstanding Common Shares on an undiluted basis. Thus, the maximum number of Common Shares that may be reserved under the

Option Plan and other securities-based compensation plans will, from time to time, vary proportionately to the issued and outstanding share capital of the corporation. Further, the Option Plan is a “reloading plan”, meaning that when options under the Option Plan expire, are cancelled or are exercised, the number of Common Shares reserved for issuance under such expired, cancelled or exercised options automatically become eligible to be reallocated pursuant to new stock options under the Option Plan.

Restrictions under the Option Plan

Restrictions on the participation of insiders are included in the Option Plan, such that the aggregate number of Common Shares issuable under the Option Plan, combined with all Common Shares issuable under all other security based compensation arrangements, to insiders cannot exceed 10% of the issued and outstanding Common Shares at any time; and the number of Common Shares issued to insiders in aggregate, within any one-year period under the Option Plan and any other securities based compensation arrangement cannot exceed 10% of the issued and outstanding Common Shares. The number of Common Shares issuable under stock options granted to any eligible individual, within any one-year period, under the Option Plan and any other securities based compensation arrangement, cannot exceed 5% of the issued and outstanding Common Shares of the Corporation, with the exception of a consultant, who may not receive options exercisable into a number of Common Shares in excess of 2% of the issued and outstanding Common Shares at the time of grant.

Terms

The exercise price of the Common Shares subject to each option shall be determined by the Board at the time the option is granted. In no event shall such exercise price be lower than the 5-day volume weighted average trading price of the Common Shares on the TSX.

Subject to earlier termination as described below, each option and all rights thereunder granted pursuant to the Option Plan shall expire on the date determined by the Board, provided that the term of an option shall not exceed 10 years. The Option Plan also provides that, where the option would otherwise expire during, or within 10 business days following the last day of, a trading black out period implemented by the Corporation, the expiry date for such option will then become the 10th business day following such black-out period.

The Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restrictions shall exist. As at December 31, 2023, the majority of stock options fully vest over one to three years and have a five-year term; no options were subject to performance conditions.

Vested options may be exercised no later than 30 days following the date the optionee ceases to be a director, officer, employee or consultant of the Corporation, provided that if the cessation of office, directorship, employment or consulting arrangement is by reason of death, vested options may be exercised by the personal representatives of the deceased within a maximum period of one year following such death, subject to the expiry date of such option. Notwithstanding the foregoing, the Board may in its discretion permit the exercise of options in such manner and on such terms as may be authorized by the Board, provided that an option may not be exercised after its expiry date.

Options may be transferred to certain permitted assigns of the optionee, including the optionee’s spouse, an administrator acting on behalf or for the benefit of the optionee or his/her spouse, a holding entity of the optionee or his/her spouse and a RRSP or RRIF of the optionee or his/her spouse.

Amendments

Terms of the Option Plan may be amended by the Board without approval of Shareholders as follows:

- (a) The Board may, at any time and from time to time, suspend or terminate the Option Plan or amend any of its provisions, provided that no such suspension, termination or amendment may be made without:
 - (i) obtaining any required approval of any regulatory authority or stock exchange; and
 - (ii) obtaining the consent or deemed consent of the relevant optionholder in the event that such amendment materially prejudices the rights of any optionholder under any option previously granted to the optionholder.
- (b) Without limiting the generality of paragraph (a) above, the Board may, without approval of Shareholders, make amendments to the Option Plan for any of the following purposes:
 - (i) changing the eligibility for and limitations on participation in the Option Plan;
 - (ii) changing the terms on which options may be granted and exercised including, without limitation, the provisions relating to exercise price, vesting, expiry, assignment and the adjustments to be made pursuant to certain events, as further described in the Option Plan;
 - (iii) making any addition to or deletion or alteration of the provisions of the Option Plan that are necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange or that are reasonably necessary to allow optionholders to receive fair and favourable tax treatment under relevant tax legislation;
 - (iv) correcting or rectifying any ambiguity, defective provision, error or omission in the Option Plan; and
 - (v) changing the provisions relating to the administration of the Option Plan; provided that if any such amendment would lead to a significant or unreasonable dilution of the outstanding Common Shares or provide additional material benefits to insiders, approval of the holders of the outstanding Common Shares must be obtained.

The Board's discretion and authority to amend the Option Plan is wide in scope and the foregoing paragraph (i)-(v) are merely non-exhaustive examples of situations in which the Board may amend the Option Plan.

- (c) Under the Option Plan, the Board may, at any time and from time to time, without the approval of Shareholders, amend any term of any outstanding option (including, without limitation, the exercise price, vesting and expiry date of the option), provided that
 - (i) any required approval of any regulatory authority or stock exchange is obtained;
 - (ii) the Board would have had the authority to initially grant the option under the terms as so amended; and
 - (iii) the consent or deemed consent of the optionholder is obtained if the amendment would materially prejudice the rights of the optionholder under the option.

Notwithstanding the foregoing, approval of Shareholders must be obtained for an amendment to the Option Plan that would increase the maximum number of Common Shares issuable under the Option Plan, and

disinterested Shareholder approval must be obtained for an amendment to any stock option agreement that would reduce the exercise price or extend the expiry date of options granted to an insider.

LTIP

Purpose and Eligibility

The purpose of the LTIP is to assist the Corporation in attracting, retaining and motivating key employees, directors, officers and consultants of the Corporation and its subsidiaries and to more closely align the personal interests of such persons with Shareholder value creation over the longer term, thereby advancing the interests of the Corporation and its Shareholders and increasing the long-term value of the Corporation. The LTIP is available to: (i) current full-time or part-time employees or officers of the Corporation or an affiliate (“**Employee Participants**”); (ii) directors who are not officers or employees of the Corporation or an affiliate (“**Director Participants**”); and (iii) an individual or consultant company providing services to the Corporation or an affiliate under written agreement (“**Consultant Participant**”). For the purposes of the LTIP and this Management Information Circular, a “**Participant**” shall mean an Employee Participant, Director Participant or a Consultant Participant.

Administration

The LTIP is administered by the Board or, upon delegation by the Board, by a committee of the Board (the “**Committee**”). The Board has delegated the administration of the LTIP to the Corporation’s Compensation and HR Committee.

The Committee determines the Participants to whom awards are to be made, determines the type, size, terms and conditions of awards, determines the prices (if any) to be paid for awards, interprets the LTIP, adopts, amends and rescinds administrative guidelines and other rules and regulations relating to the LTIP, and makes all other determinations and takes all other actions it believes are necessary or advisable for the implementation and administration of the LTIP. The day-to-day administration of the LTIP may be delegated to a trustee appointed to administer the LTIP or to such officers and employees of the Corporation as the Committee determines.

Restricted Share Units

The LTIP provides that the Committee may, from time to time and in its sole discretion, grant awards of RSUs to any Participant. RSUs are not Common Shares, but rather represent a right to receive at a future date Common Shares of the Corporation. All grants of RSUs are evidenced by an award agreement. The award agreement contains such provisions as are required by the LTIP and any other provisions the Committee may direct.

The Committee has the authority to make receipt of Common Shares under the RSUs conditional upon the expiry of a time-based vesting period, the attainment of specified performance goals or such other factors as the Committee may determine in its discretion. The duration of the vesting period and other vesting terms applicable to a grant of RSUs shall be determined at the time of the grant by the Committee provided that such vesting period shall be a maximum of three years in duration. As at December 31 2023, the vesting periods of RSUs range from immediate to six months in duration; no RSUs were subject to performance conditions.

Upon expiry of the applicable vesting period or at such later date as may be otherwise specified in the award agreement, the RSUs shall be redeemed and a share certificate representing the Common Shares deliverable pursuant to the RSUs shall be registered in the name of the Participant or as the Participant may direct, subject to applicable securities laws.

Actual issuance of Common Shares underlying the RSUs will occur as soon as practicable following the applicable vesting date(s) specified in the award agreement and the Participant’s satisfaction of any required tax withholding obligations, but in no event later than: (i) 60 days following the vesting date for a

Participant resident in the United States; or (ii) the earlier of: (a) 60 days following the applicable vesting date; and (b) December 15 of the third calendar year following the year of service for which the RSU was granted for a Participant resident in Canada.

RSU Awards are settled in Common Shares unless the Corporation offers the Participant the right to receive cash in lieu of the Common Shares and the participant, in its discretion, so elects. In this case, the cash value of the Common Shares would be determined based on the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (the "TSX") for the five trading days immediately preceding the applicable vesting date.

Except as otherwise determined by the Committee, upon a Termination Date (as defined in the LTIP) during the applicable vesting period, all applicable RSUs at such time not yet vested will be forfeited and reacquired by the Corporation.

Restricted Stock

The Committee may grant Participants resident in the United States, subject to the terms and conditions of the LTIP and any additional terms and conditions determined by the Committee, awards of Common Shares of the Corporation subject to certain restrictions imposed by the Committee ("**Restricted Stock**" and together with RSUs, an "**Award**"). All grants of Restricted Stock are evidenced by an award agreement. The award agreement contains such provisions as are required by the LTIP and any other provisions the Committee may direct.

The Committee has the authority to make the lapse of restrictions applicable to Restricted Stock conditional upon the expiry of a time-based vesting period, the attainment of specified performance goals or such other factors as the Committee may determine in its discretion. The duration of the vesting period and other vesting terms applicable to a grant of Restricted Stock shall be determined at the time of the grant by the Committee.

Common Shares of Restricted Stock shall be subject to such restrictions as the Committee may impose (including, without limitation, forfeiture conditions, transfer restrictions or a restriction on, or prohibition against, the right to receive any dividend or other right or property with respect thereto), which restrictions may lapse separately or in combination at such time or times, in such instalments or otherwise as the Committee may deem appropriate.

A trustee appointed by the Corporation shall hold share certificates registered in the name of each Participant granted Restricted Stock under the LTIP. The share certificates shall bear a legend referring to the award agreement and the possible forfeiture of such shares of Restricted Stock.

Except as otherwise determined by the Committee, upon a Termination Date during the applicable vesting period, all applicable Common Shares of Restricted Stock at such time not yet vested shall be forfeited and reacquired by the Corporation.

Number of Shares Reserved for Issuance under the LTIP

The Corporation may fulfill its obligations to deliver Common Shares under the LTIP by, at its option, either (i) issuing Common Shares from treasury to the Participant, or (ii) directing the Plan Trustee (which is an independent trust company selected by the Corporation to acquire Common Shares in the market at the direction of the Corporation for the purpose of the LTIP) to deliver Common Shares to the Participant.

The aggregate number of Common Shares of the Corporation which may be issued from treasury under the LTIP, together with shares reserved for issuance under all of the Corporation's other security-based compensation arrangements, which includes the Option Plan, shall not exceed 10% of the Corporation's issued and outstanding Common Shares on a non-diluted basis. The maximum number of Common Shares that may be reserved under the LTIP will, from time to time, vary proportionately to the issued and outstanding share capital of the Corporation. Further, when Awards under the LTIP vest and are redeemed,

expire or are forfeited, surrendered, cancelled or terminated, the number of Common Shares under such Awards automatically become available to be made the subject of new Awards under the LTIP. The LTIP is an unfunded plan and any obligations of the Corporation under the LTIP are unsecured.

Limitations on Issuance to Participants

The total number of Common Shares issuable from treasury to insiders of the Corporation at any time and issued from treasury to insiders of the Corporation within any one-year period under the LTIP, together with any other security-based compensation arrangements of the Corporation, shall not exceed 10% of the issued and outstanding Common Shares of the Corporation on a non-diluted basis.

The number of Common Shares that may be granted to a Participant, within any one year period, under the LTIP and any other securities-based compensation arrangement, cannot exceed 5% of the issued and outstanding Common Shares of the Corporation, with the exception of a Consultant Participant, who may not receive grants of more than 2% of the issued and outstanding Common Shares of the Corporation at the time of grant.

Treatment on Termination

Death, Disability and Retirement: Except as otherwise determined by the Committee, where a Participant's employment or term of office or engagement with the Corporation or an affiliate terminates by reason of the Participant's death, disability or retirement then, unless otherwise determined by the Committee, any Awards that are not yet vested will be immediately forfeited to the Corporation at the Termination Date and such Participant shall cease to be eligible under the LTIP. In the case where a Participant has died, any Awards held by the Participant that have vested as of the Termination Date will enure to the benefit of the Participant's heirs, executors and administrators.

Voluntary Resignation: Except as otherwise determined by the Committee, where a Participant's employment or term of office or engagement terminates by reason of a Participant's resignation, then any Awards held by the Participant that are not yet vested at the Termination Date are immediately forfeited to the Corporation on the Termination Date.

Termination without Cause: Except as otherwise determined by the Committee, where a Participant's employment or term of office or engagement terminates by reason of termination by the Corporation or an affiliate without cause (as determined by the Committee in its discretion) (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice), then any Awards held by the Participant that are not yet vested at the Termination Date are immediately forfeited to the Corporation on the Termination Date.

Termination for Cause: Except as otherwise determined by the Committee, where a Participant's employment or term of office or engagement is terminated by the Corporation or an affiliate for cause (as determined by the Committee in its discretion), or, in the case of a Consultant Participant, for breach of contract (as determined by the Committee in its discretion), then any Awards held by the Participant at the Termination Date (whether or not vested) are immediately forfeited to the Corporation on the Termination Date.

Termination of Director for other than Death or Disability: Except as otherwise determined by the Committee, where a Director Participant's term of office terminates for any reason other than death or disability of the Director Participant, the Committee or the Board may, in its discretion, at any time prior to or within 30 days following the Termination Date, provide for the vesting of any or all Awards held by a Director Participant on the Termination Date.

Change of Employment Agreement: Unless the Committee, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment arrangement within or among the Corporation or an affiliate for so long as the individual continues to be an eligible Participant.

Discretion to Accelerate Vesting: The Committee may, in its discretion, at any time prior to or following the retirement, death, disability or termination of employment of a Participant, permit the acceleration of vesting of any or all Awards, all in the manner and on the terms authorized by the Committee, provided that the Committee's discretion to accelerate vesting where there has been a change in control is limited to only those circumstances described below.

Change in Control

Unless otherwise determined by the Committee or the Board at or after the date of grant, if a Participant ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries within 12 months following a Change in Control (as defined in the LTIP) for any reason other than for cause, voluntary resignation, retirement, death, or disability, each Award held by that Participant that is not fully vested on the date at which such person ceases to be a director, officer, employee or consultant shall become free of all restrictions, conditions and limitations and become fully vested.

Share Capital Adjustments

The Board shall have the discretion to authorize such steps to be taken as it may consider to be equitable and appropriate in the event of any Share Reorganization, Corporate Reorganization or Special Distribution (all as defined in the LTIP), including the acceleration of vesting in order to preserve proportionately the rights, value and obligations of the Participants holding Awards in the circumstances or the Board otherwise determines that it is appropriate.

Amendments

Subject to the rules, regulations and policies of the TSX and applicable law, the Committee may, without notice or shareholder approval, at any time or from time to time, make amendments to the LTIP or a specific Award that it may deem necessary, including without limitation, amendments for the purposes of: (i) altering, extending or accelerating the terms of vesting applicable to any Award or group of Awards; (ii) making any amendments to the general vesting provisions of an Award; (iii) accelerating the expiry date of conditions applicable to an Award; (iv) making any amendments to the provisions of the LTIP that relate to termination, (v) making any amendment to provide covenants of the Corporation in order to protect Participants; (vi) making any amendments not inconsistent with the LTIP as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law; (vii) making any amendments for the purposes of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error in the LTIP; (viii) making any amendments to any definitions in the LTIP; (ix) effecting amendments respecting administration of the LTIP; and (x) making amendments of a "housekeeping" or ministerial nature.

Certain amendments under the LTIP may not be made without shareholder approval, and these include: (i) amendments to the LTIP that would increase the number of Common Shares issuable from treasury under the LTIP in general, or the number of Common Shares issuable from treasury to insiders under the LTIP, (ii) amendments to any amending provision in the LTIP; (iii) amendments to the LTIP to include a form of financial assistance to Participants; and (iv) amendments required to be approved by shareholders under applicable law.

In addition, certain amendments under the LTIP may not be made without disinterested shareholder approval, and these include but are not limited to: (i) amendments that could result at any time in the number of Common Shares reserved for issuance from treasury to an insider under the LTIP exceeding 10% of the Corporation's issued and outstanding Common Shares; (ii) amendments resulting in any extension of the term of any award under the LTIP to an insider other than the extension of awards expiring during a black-out period or during a black-out expiration term; and (iii) amendments required to be approved by disinterested shareholders under applicable law.

Performance Goals

Awards of RSUs and Restricted Stock under the LTIP may be made subject to the attainment of certain performance goals as may be set by the Committee at the time of grant. To date, the Corporation has not issued any RSUs or Restricted Stock subject to performance goals.

Non-Transferability of Awards

Unless the Committee otherwise determines, awards granted under the LTIP may only be redeemed during the lifetime of the Participant by such Participant personally, provided that any Awards held by a Participant that have vested at the Termination Date will enure to the benefit of the Participant's heirs, executors and administrators. No assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee. Immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

DSU Plan

Purpose of the DSU Plan and Eligibility

The purpose of the DSU Plan is to provide directors of the Corporation with the opportunity to acquire DSUs in order to allow them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of shareholders. Any individual who is a member of the Board (an "**Eligible Director**") is eligible to participate in the DSU Plan.

Grants of DSUs

The DSU Plan is administered by the Compensation and HR Committee, which, from time to time in its sole discretion, will grant DSUs to Eligible Directors ("**DSU Participants**"). In respect of each grant of DSUs, the Compensation and HR Committee determines, among other things, the number of DSUs allocated to the DSU Participant and such other terms and conditions of the DSUs applicable to each grant.

Vesting and Term

DSUs will be fully vested upon being granted and credited to an account maintained by the Corporation for each DSU Participant by means of a book-keeping entry ("**Account**").

The term during which a DSU may be outstanding will, subject to the provisions of the DSU Plan which require or permit the acceleration or the extension of the term, be such period as may be determined from time to time by the Board or the Compensation and HR Committee, but subject to the rules of any stock exchange or other regulatory body having jurisdiction.

Limits on Issuances

Notwithstanding any other provision of the DSU Plan, the maximum number of Common Shares issuable pursuant to outstanding DSUs at any time shall be limited to 5% of the aggregate number of issued and outstanding Common Shares, provided that the maximum number of Common Shares issuable pursuant to outstanding DSUs and all other security based compensation arrangements, may not exceed 10% of the Common Shares outstanding from time to time.

In addition: (i) the number of Common Shares issuable to insiders, at any time, under all security based compensation arrangements, may not exceed 10% of the issued and outstanding Common Shares; (ii) the number of Common Shares issued to insiders, within any one-year period, under all security based compensation arrangements, may not exceed 10% of the issued and outstanding Common Shares; and (iii) the number of Common Shares that may be granted to a DSU Participant, within any one year period, under the DSU Plan and any other security based compensation arrangement, cannot exceed 5% of the issued and outstanding Common Shares of the Corporation.

DSUs that are cancelled, terminated or expire shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of DSUs pursuant to the DSU Plan to the extent of any Common Shares issuable thereunder that are not issued under such cancelled, terminated or expired DSUs.

Any increase in the issued and outstanding Common Shares (whether as a result of the issue of Common Shares pursuant to DSUs or otherwise) will result in an increase in the number of Common Shares that may be issued pursuant to DSUs outstanding at any time. Further, if the acquisition of Common Shares by the Corporation for cancellation should result in the above tests no longer being met, this will not constitute non-compliance with the above limitations for any awards outstanding prior to such purchase of Common Shares for cancellation.

Election by Participant and Payment

A DSU Participant will have the right to receive Payment Shares (as defined below) or, upon the joint election of the DSU Participant and the Corporation, Cash Payment (as defined below) or a combination of Cash Payment and Payment Shares in respect of DSUs recorded in the DSU Participant's Account, on one of the following dates (the "**Distribution Date**"): (i) the date on which the DSU Participant ceases to be a director of the Corporation or otherwise employed by the Corporation or any of its Subsidiaries (the "**Separation Date**"); or (ii) such later date as the DSU Participant may elect by written notice delivered to the Chief Financial Officer of the Corporation prior to the Separation Date, provided that in no event will a Participant be permitted to elect a date which is later than December 1 of the calendar year following the calendar year in which the Separation Date occurs.

The Corporation will issue Payment Shares within 10 business days after the Distribution Date by issuing to the DSU Participant a number of Common Shares from treasury equal to the number of DSUs in the DSU Participant's Account that became payable on the Distribution Date (the "**Payment Shares**").

In the event the Corporation and the DSU Participant jointly elect to pay and distribute a Cash Payment, a DSU Participant (or in the event of the DSU Participant's death, his beneficiary or legal representative) will receive a payment (the "**Cash Payment**") equal in value to the number of DSUs recorded in the DSU Participant's Account on the Distribution Date that the Corporation and the DSU Participant jointly elect to settle in cash multiplied by the Fair Market Value (as defined below) per Common Share (the "**Distribution Value**") on the Distribution Date, less any applicable withholding taxes, within ten (10) business days after the Distribution Date. Upon payment in full of the Cash Payment less any withholding taxes, the DSUs will be cancelled and no further payments will be made to the DSU Participant under the DSU Plan.

For the purposes of the DSU Plan, "**Fair Market Value**" with respect to a Common Share, as at any date, means the weighted average of the prices at which the Common Shares traded on the TSX (or, if the Common Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Common Shares occurs) for the five (5) trading days on which the Common Shares traded on the said exchange immediately preceding such date. In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Common Shares as determined by the Board in its sole discretion, acting reasonably and in good faith.

Black Out Periods

If any Common Shares may not be issued pursuant to any DSUs during a period of time, when pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any DSU Participant that holds a DSU (a "**Black Out Period**"), such Common Shares will be issued seven business days following the end of the Black-Out Period (or such longer period as permitted by applicable regulatory authorities and approved by the Compensation and HR Committee).

Death of Participant

Upon the death of a DSU Participant prior to the distribution of the DSUs credited to the Account of such DSU Participant under the DSU Plan, Payment Shares or, upon the joint election of the Corporation and the executor or administrator of the DSU Participant's estate, Cash Payment or a combination of Cash Payment and Payment Shares shall be issued or paid to the estate of such DSU Participant on or about the thirtieth (30th) day after the Corporation is notified of the death of the DSU Participant or on a later date elected by the DSU Participant's estate in the form prescribed for such purposes by the Corporation and delivered to the Chief Financial Officer of the Corporation not later than twenty (20) days after the Corporation is notified of the death of the DSU Participant, provided that such elected date is no later than the last business day of the calendar year following the calendar year in which the DSU Participant dies so that payment can be made on or before such last business day. Any Cash Payment shall be calculated on the basis that the day on which the DSU Participant dies, or the date elected by the estate, as applicable, is the Distribution Date and shall be subject to applicable withholding taxes.

Adjustments to DSUs

In the event: (a) of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or (b) that any rights are granted to all or substantially all Shareholders to purchase Common Shares at prices substantially below Fair Market Value as of the date of grant (other than the payment of dividends in respect of the Common Shares as contemplated by the DSU Plan); or (c) that, as a result of any recapitalization, merger, consolidation or other transaction, the Common Shares are converted into or exchangeable for any other securities or property, then the Board may make such adjustments to the DSU Plan, the Account of each DSU Participant, the agreements in respect of the DSUs ("**DSU Agreements**") and the DSUs outstanding under the DSU Plan as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to DSU Participants hereunder and/or to provide for the DSU Participants to receive and accept such other securities or property in lieu of Common Shares, and the DSU Participants shall be bound by any such determination.

Amendment of the DSU Plan

The Board may amend, suspend or discontinue the DSU Plan or amend any DSU or DSU Agreement at any time without the consent of a DSU Participant, provided that such amendment shall not adversely alter or impair the rights of any DSU Participant in respect of any DSU previously granted to such DSU Participant under the Plan, except as otherwise permitted under the DSU Plan. In addition, the Board may, by resolution, amend the DSU Plan and any DSU granted under it (together with any related DSU Agreement) without Shareholder approval, provided however, that at any time while the Common Shares are listed for trading on the TSX, the Board will not be entitled to amend the DSU Plan or any DSU granted under it (together with any related DSU Agreement) without Shareholder and, if applicable, TSX approval: (i) to increase the maximum number of Common Shares issuable pursuant to the DSU Plan; (ii) to permit the assignment or transfer of a DSU other than as provided for in the DSU Plan; (iii) to add to the categories of persons eligible to participate in the DSU Plan; (iv) to remove or amend the limits on issuances to Insiders or non-management directors under the DSU Plan; (v) to remove or amend the amendment provisions in the DSU Plan; or (vi) in any other circumstances where TSX and Shareholder approval is required by the TSX.

Without limitation of the above, the Board may correct any defect or supply any omission or reconcile any inconsistency in the DSU Plan in the manner and to the extent deemed necessary or desirable, may establish, amend, and rescind any rules and regulations relating to the DSU Plan, and may make such determinations as it deems necessary or desirable for the administration of the DSU Plan.

Termination or Suspension of the DSU Plan

If the Board terminates or suspends the DSU Plan, previously credited DSUs may, at the Compensation and HR Committee's election, be distributed to Participants or may remain outstanding and in effect in accordance with the terms of the DSU Plan. The Board will not require the consent of any affected DSU Participant in connection with a termination of the DSU Plan in which Payment Shares are issued to the DSU Participant in respect of all such DSUs.

Transferability

Except as required by law, the rights of a DSU Participant under the DSU Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.

Securities Outstanding under Equity Based Compensation Plans

There are currently 275,232,427 issued and outstanding Common Shares in the capital of the Corporation. Therefore, currently a maximum of 27,523,243 Common Shares may be reserved and allocated under the Option Plan and other securities based compensation arrangements, including the Corporation's LTIP and DSU Plan. This number will increase if and as the issued and outstanding share capital of the Corporation increases. Under the Option Plan, there are currently outstanding stock options for 2,880,000 Common Shares. Under the LTIP, there are currently outstanding RSUs and restricted stock for 20,507,975 Common Shares. Under the DSU Plan, there are currently 3,431,420 DSUs outstanding. The aggregate total outstanding securities under all equity based compensation plans is 26,819,395 (9.7% of issued and outstanding), leaving room for 703,848 Common Shares (0.3% of issued and outstanding) to be reserved for future allocations.

The total number of options exercised to date under the Corporation's Option Plan since inception is 2,755,761. There have been 14,051,975 RSUs or restricted stock redeemed since inception and 1,245,905 DSUs redeemed since inception.

Burn Rate

The following table summarizes the Corporation's burn rate under the Option Plan, LTIP and DSU Plan for each of the three most recently completed financial years.

Year	Common Shares Outstanding ⁽¹⁾	Awards Granted		Common Shares Issued on Exercise of Awards	
		(#)	(%) ⁽²⁾	(#)	(%) ⁽²⁾
Dec 31, 2023	269,958,290	14,130,385 ⁽³⁾	5.2	4,645,047 ⁽⁴⁾	1.7
Dec 31, 2022	254,422,707	9,298,705 ⁽⁵⁾	3.7	3,650,327 ⁽⁶⁾	1.4
Dec 31, 2021	239,867,716	4,076,163 ⁽⁷⁾	1.7	2,664,623 ⁽⁸⁾	1.1

Notes:

- (1) Expressed as the weighted average number of Common Shares outstanding during the period. This is the number of Common Shares outstanding at the beginning of the period, adjusted by the number of Common Shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the Common Shares are outstanding as a proportion of the total number of days in the period. The weighted average number of Common Shares outstanding is calculated in accordance with the CPA Canada Handbook.
- (2) Expressed as a percentage of the weighted average number of Common Shares outstanding during the fiscal period.
- (3) For the year ended December 31, 2023, the amount represents 2,000,000 Options, 9,524,340 RSUs and 2,606,045 DSUs.
- (4) For the year ended December 31, 2023, the amount represents 4,645,047 RSUs.

- (5) For the year ended December 31, 2022, the amount represents 1,180,000 Options, 7,038,454 RSUs and 1,080,251 DSUs.
- (6) For the year ended December 31, 2022, the amount represents 3,315,597 RSUs and 334,730 DSUs.
- (7) For the year ended December 31, 2021, the amount represents 550,000 Options, 3,116,500 RSUs and 409,663 DSUs.
- (8) For the year ended December 31, 2021, the amount represents 2,664,623 RSUs.

Approval Required

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, approve, an ordinary resolution approving the unallocated options, rights and other entitlements available under the Option Plan, LTIP and DSU Plan. The ordinary resolution must be approved by a majority vote of the Shareholders. **Unless otherwise directed, it is the intention of the management designees to vote proxies in the accompanying form in favour of this ordinary resolution.**

If approval is obtained at the Meeting, the Corporation will not be required to seek further approval of the grant of unallocated options, rights and other entitlements under the Option Plan, LTIP and DSU Plan until July 31, 2027. If the resolution approving the unallocated options, rights and other entitlements under the Option Plan, LTIP and DSU Plan is not approved, previously granted options and awards will continue and not be affected; however, in such circumstances, previously granted options and awards will not be available for re-allocation if they are cancelled, exercised or redeemed or if they have not been allocated as of June 22, 2024. Previously allocated options and awards will continue to be unaffected by the approval or disapproval of the resolution.

The text of the ordinary resolution to be considered at the Meeting will be as follows:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

- 1. all unallocated options, rights and other entitlements available under the Option Plan, LTIP and DSU Plan be and are hereby approved;**
- 2. the Corporation be and is hereby authorized to continue granting options, rights and other entitlements under the Option Plan, LTIP and DSU Plan until July 31, 2027, the date that is three (3) years from the date where shareholder approval is being sought; and**
- 3. any director or officer of the Corporation is authorized to do all acts and things, to execute under the corporate seal of the Corporation or otherwise and to deliver all agreements, documents and instructions, to give all notices and to deliver, file and distribute all documents and information which such director or officer (as the case may be) determines to be necessary or desirable in connection with or to give effect to and carry out these resolutions.”**

5. Proposed Debenture Amendment

Background

On May 13, 2021, the Corporation issued to an affiliate of Shenzhen Hepalink Pharmaceutical Group Co., Ltd. (“**Hepalink**”) a 10% secured convertible debenture in the principal amount of US\$6,000,000 (the “**Debenture**”) at an interest rate of 10% per annum for a term to maturity of 12 months that is secured by a general security agreement granted by the Corporation in favour of Hepalink. The Debenture is convertible into common shares of the Corporation at a price equal to the lower of Cdn\$0.93 per common share and the market price of the common shares at the date of conversion. Pursuant to an amending agreement dated April 1, 2022, the Debenture was amended to extend the maturity date from May 13, 2022 to May 12, 2023 and pursuant to an amending agreement dated March 17, 2023, the Debenture was amended to

increase the interest rate from 10% to 12% per annum and to extend the maturity date from May 13, 2023 to May 13, 2024.

The Corporation has entered into an Amending Agreement (the “**Third Amending Agreement**”) with Hepalink to: increase the interest rate from 12% to 18% per annum; (ii) extend the maturity date of the Debenture from May 13, 2024 to May 13, 2026; and (iii) eliminate the right of Hepalink to convert the principal amount of the Debenture and interest thereon into common shares of the Corporation (collectively, the “**Debenture Amendment**”). The amendments to the Debenture also include certain additional covenants and events of default that require the Corporation to provide additional reports to Hepalink and continue normal business operations. The Debenture Amendment is conditional upon the approval of the Toronto Stock Exchange (“**TSX**”) and the Shareholders, in accordance with TSX requirements. At the Meeting, Shareholders will be asked to approve the Debenture Amendment, as more particularly discussed below.

Pursuant to the Third Amending Agreement, Hepalink agreed to forbear from enforcing the Debenture on the basis of the Corporation having failed to pay amounts due under the Debenture by May 13, 2024, provided that Shareholder approval for the Debenture Amendment is obtained at the Meeting and the Corporation complies with certain reporting requirements and continues normal business operations. If Shareholder approval for the Debenture Amendment is not obtained at the Meeting then Hepalink could immediately proceed to enforce the Debenture.

Toronto Stock Exchange Requirements

Section 501 of the TSX Company Manual requires that shareholder approval be obtained for transactions involving insiders and other related parties including loans from insiders where the interest to be received by an insider exceeds 10 percent of the market capitalization of the issuer. The Debenture provides for all interest on the principal amount of the Debenture to accrue and be paid upon maturity. The Corporation has not paid any interest on the Debenture to date. The accrued and unpaid interest on the Debenture was US\$2,131,200 at May 13, 2024. After giving effect to the Debenture Amendment and assuming no prepayment of interest, the interest payable at the maturity date of May 13, 2026 will be US\$5,321,883 which represents approximately 48% of the current market capitalization of the Corporation. Accordingly, shareholder approval of the Debenture Amendment is required pursuant to TSX policies. For purposes of the TSX, approval must be obtained from a majority of votes cast at the Meeting, with Hepalink being excluded from voting its 85,286,524 Common Shares representing 31.0% of the outstanding common shares of the Corporation.

Multi-lateral Instrument 61-101

The Debenture Amendment would be a “related party transaction” pursuant to Multilateral Instrument 61-1–1 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) as Hepalink is an insider that holds more than 10% of the outstanding Common Shares of the Corporation. Pursuant to MI 61-101, an amendment of a debt owed to a related party requires that minority shareholder approval be obtained by the issuer unless an exemption is available. The Debenture Amendment is exempt from this requirement because the Corporation has determined that, after giving effect to the Debenture Amendment, the Debenture is a loan on reasonable commercial terms that are not less advantageous to the Corporation than if the loan were obtained from a person dealing at arm’s length with the Corporation and, after giving effect to the Debenture Amendment, the Debenture will not be convertible directly or indirectly into, or repayable in, equity or voting securities of the Corporation or a subsidiary of the Corporation.

Recommendation of the Board

After careful consideration of available financing alternatives, the Board of Directors of the Corporation determined that it is in the best interests of the Corporation to proceed with the Debenture Amendment. The Board of Directors unanimously recommends that shareholders vote in favour of the resolution to approve the Debenture Amendment.

Text of Shareholder Resolutions

To be effective, the resolution to approve the Debenture Amendment must be passed by a majority of the votes cast thereon at the Meeting, excluding votes cast by Hepalink. The text of the resolution is set out below. The persons designated in the enclosed form of proxy or voting instruction form, unless instructed otherwise, intend to vote FOR the resolution.

BE IT RESOLVED as an ordinary resolution that:

1. The Corporation is hereby authorized to enter into an agreement to amend (the "Amending Agreement") the US\$6,000,000 Secured Convertible Debenture of the Corporation (the "Debenture") to extend the maturity date of the Debenture by two years to May 13, 2026, to increase the interest rate from 12% to 18% per annum and to eliminate the right of the holder to convert the principal amount of the debenture and interest thereon into common shares of the Corporation all as more particularly described in the management information circular of the Corporation (the "Debenture Amendment").
2. The Corporation is authorized to proceed with the Debenture Amendment and to pay interest to the holder of the Debenture at the rates and on the terms set forth in the terms of the Debenture, as amended by the Debenture Amendment (the "Amended Debenture"), and described in the management information circular of the Corporation.
3. The Amending Agreement is hereby approved and the Corporation is hereby authorized to enter into, execute and deliver to the holder and to perform its obligations under the Amending Agreement, and all such other security agreements and guarantees and other documents as are required or provided for under the Amending Agreement and the Amended Debenture.
4. All actions taken to date by the Board of Directors and management of the Corporation in furtherance of the transactions contemplated by the foregoing resolution be and the same are hereby authorized, approved, ratified and confirmed.
5. The Board of Directors of the Corporation is hereby authorized at any time in its absolute discretion to amend, vary or waive provisions of the Amending Agreement and the terms and conditions of the Debenture Amendment and to revoke this resolution before it is acted upon or not to proceed with any one or more of the above transactions without further approval of the shareholders.
6. Any one director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, agreements, deeds and documents, and any amendments thereto, under corporate seal or otherwise, as may be necessary or advisable in order to give effect to this resolution.

COMPENSATION DISCUSSION AND ANALYSIS

General

The objectives of the Corporation's executive compensation program are to support an appropriate relationship between executive pay and the creation of shareholder value. The compensation program is designed:

- To provide compensation comparable to similar companies and thereby enable the Corporation to attract and retain talented executives critical to the Corporation's long-term success.
- To align the interests of executives with long-term interests of Shareholders through stock option, RSU and restricted stock awards whose value over time depends upon the market value of the Common Shares.
- To motivate and retain key senior officers to achieve strategic business initiatives and reward them for their individual and team achievements.

The Corporation's executive compensation program is available to the Named Executive Officers of the Corporation which is defined by securities legislation to mean each of the following individuals, namely: (i) the Chief Executive Officer of the Corporation (the "**CEO**"); (ii) the Chief Financial Officer of the Corporation (the "**CFO**"); (iii) each of the Corporation's three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and the CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CAD\$150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under (iii) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year (the "**Named Executive Officer**" or "**NEO**").

The Named Executive Officers of the Corporation for the year ended December 31, 2023 are:

Donald J. McCaffrey, President, Chief Executive Officer and Secretary
A. Brad Cann, Chief Financial Officer
Dr. Mike Sweeney, Senior VP, Clinical Development
Dr. Ewelina Kulikowski, Chief Scientific Officer

The Compensation and HR Committee and the Board review executive compensation annually and as otherwise appropriate. The Compensation and HR Committee recommends executive salary changes, short-term incentive payments and long-term incentive grants for Board approval. Compensation recommendations and decisions take into account the following: company and individual executive performance, individual executives' roles, responsibilities, experience, peer benchmarking, changes in applicable historical and projected "market" salaries and cost of living.

Compensation Governance

The Corporation's Board has established a Compensation and HR Committee comprised of independent directors. The purpose of the Compensation and HR Committee is to assist the Board in fulfilling its responsibilities by reviewing and making recommendations to the Board on its findings and conclusions on matters relating to the compensation of the NEOs and directors of the Corporation and its subsidiaries in the context of the budget, business plan and competitive environment of the Corporation; conducting and assisting in the regular reviews and appraisals of the Chief Executive Officer and other NEOs; ensuring appropriate succession plans are in place for the NEOs; and reviewing the Corporation's overall compensation policies and practices to ensure that the Compensation and HR Committee and the Board consider the implications of the risks associated with such policies and practices.

In fulfilling its mandate, the Compensation and HR Committee:

- annually reviews and recommends for approval to the Board the compensation packages for the CEO and the other NEOs, including short term and long term incentive plan grants and awards;
- annually reviews and recommends for approval to the Board the corporate goals, objectives and business performance measures which will be used in evaluating the CEO and the other NEOs;
- ensures that an effective succession plan for the Corporation's senior management team is in place and annually reviews such plan with the Board;
- pursuant to the terms of the Corporation's Option Plan, LTIP and DSU Plan, recommends for approval to the Board the options or awards granted under such plans;
- pursuant to the terms of the Corporation's short term incentive plan for NEOs, recommends for approval to the Board the granting of the bonuses under such plan;
- annually reviews and ensures that compensation plans, in their design, structures and application have a clear link between pay and performance and do not encourage excessive risk taking;
- reviews and assesses compensation principles of, and compensation amounts payable by, appropriate comparator groups and recommends for approval to the Board any appropriate changes; and
- reviews (at least annually) and recommends to the Board the compensation to be paid to the Corporation's directors.

The terms of the compensation arrangements for each NEO (other than the Chief Executive Officer) are reviewed by the Chief Executive Officer with the Compensation and HR Committee. The terms of the Chief Executive Officer's compensation arrangements are reviewed by the Compensation and HR Committee in the absence of the Chief Executive Officer. All changes to the compensation arrangements of the NEOs are recommended for approval by the Compensation and HR Committee and approved by the Corporation's Board.

Composition of the Compensation and HR Committee

The Compensation and HR Committee consists of three members: Kelly McNeill, Kenneth Zuerblis and Siu Lun (Dicky) To. All members are independent in accordance with National Instrument 52—10 - *Audit Committees*. Below are brief biographies of the Compensation and HR Committee members which illustrate their relevant experience.

Kelly McNeill

Mr. McNeill has first-hand experience with establishing, implementing and maintaining executive and employee compensation programs through his prior executive management positions with the Corporation, Haworth Ltd., SMED International and IMRIS Inc., as well as with his current position as Chief Executive Officer of RTDS Technologies Inc. Mr. McNeill also serves as chair of the compensation committee of Zenith Capital Corp. (a biotechnology investment company that is a reporting issuer under applicable securities legislation). He provides an important front-line perspective on the Corporation's Compensation and HR Committee and has knowledge and experience with current executive compensation requirements for both Canadian and US-listed issuers.

Kenneth Zuerblis

Mr. Zuerblis received a BS in Accounting and is a retired Certified Public Accountant with nearly 30 years of experience, has held senior financial positions with three publicly-traded companies and has held directorships with numerous organizations. Mr. Zuerblis served as Executive Vice President and Chief Financial Officer of Savient Pharmaceuticals, Inc. from 2011 to 2012. Prior to joining Savient, Mr. Zuerblis served as Chief Financial Officer and Senior Vice President at ImClone Systems from 2008 through 2009. From 1994 through 2005, Mr. Zuerblis served as Chief Financial Officer of Enzon Pharmaceuticals Inc. and held the position of Corporate Controller from 1991 through 1994. Mr. Zuerblis began his career at KPMG, LLP in 1982 where he held management positions of increasing responsibility over a 10-year period. Mr. Zuerblis also serves on the board of directors of Zenith Capital Corp. (since 2013).

Siu Lun (Dicky To)

Mr. To is experienced in advising public and private companies establishing, implementing and maintaining executive and employee compensation programs, regarding corporate governance, regulatory requirements as well as tax compliance, during his professional accounting life with Arthur Andersen and RSM Hong Kong from 1990 to 2019. Mr. To also serves as member of the compensation committee of China MeiDong Auto Holdings Limited (a Hong Kong Stock Exchange listed company) and Combine Will International Holdings Ltd. (a Singapore Stock Exchange listed company).

Compensation Consultant

There were no executive compensation related fees or any other related fees billed by a compensation consultant during the two most recently completed financial years.

Risk Management

The combination of short-term and long-term incentive plans in the Corporation's compensation program ensures that a significant portion of each NEO's compensation is at risk annually. The balance between the short-term and long-term incentive plans aligns the NEO's interests with both the short-term and long-term interests of the Shareholders and the Corporation's business strategy. The Corporation believes that its compensation policies and practices have been structured to ensure that they do not encourage an NEO to expose the Corporation to inappropriate or excessive risks. Key components of the management of this risk include:

- All NEOs are compensated based on similar metrics and performance measures approved by the Board.
- Incentives are balanced between short-term and long-term incentives, which vest over time.
- Short-term incentive programs for all employees (including the NEOs), while having certain different attributes, possess the same fundamental characteristics: amounts are payable only upon the accomplishment of specified corporate and personal achievements.
- All short term incentive programs have clearly specified payout limits.

As a result of the steps taken to consider and mitigate the risks associated with the Corporation's compensation policies and practices, the Corporation has not identified any risks from such policies and practices which would be reasonably likely to have a material adverse effect on the Corporation.

Financial Instruments

The Corporation maintains a comprehensive Insider Trading Policy to assist personnel of the Corporation in complying with applicable securities laws relating to transactions in the securities of the Corporation. The Insider Trading Policy prohibits directors, officers, employees and certain other parties from speculating in securities of the Corporation using short-term trading strategies, buying securities of the Corporation on margin, short selling a security of the Corporation or entering into any other arrangement that results in a gain only if the value of the Corporation's securities declines in the future or selling a call option or buying a put option in respect of securities of the Corporation.

Key Compensation Decisions

Base Salary

Annually, the Board, at the recommendation of the Compensation and HR Committee, reviews and considers NEO salaries.

In 2023, as a cash conserving measure, the Board approved grants of up to 2,000,000 RSUs to the CFO of the Corporation in lieu of unpaid salary amounts, and up to 600,000 stock options to the CFO of the

Corporation, and the Corporation granted a total of 800,000 RSUs to the CFO in lieu of unpaid salary amounts.

In March 2023, the Board determined that no increases to NEO salaries would be approved or accrued, until such time as the Corporation possessed the required cash. There were no salary increases for NEOs during fiscal 2023. In August 2023, the Board authorized the grant of up to 1,000,000 RSUs to employees and officers of the Corporation, in lieu of certain notional salary increases for the period subsequent to December 31, 2021.

In February 2022, the Board determined that no increases to NEO salaries would be approved or accrued, until such time as the Corporation possessed the required cash. There were no salary increases for NEOs during fiscal 2022.

In March 2021, the Board awarded conditional base salary increases, retroactively effective January 1, 2021, of a flat rate of 2% for the NEOs (taking into consideration applicable cost of living indexes). In November 2021, as a cash conserving measure and upon the recommendation of the Compensation and HR Committee, the Board approved RSU grants for a total of 407,400 RSUs to the NEOs in lieu of the retroactive pay increase for the period January 1 to December 31, 2021.

Short-term Incentive

Annually, the Board, at the recommendation of the Compensation and HR Committee, approves the granting of bonuses under the Corporation's short-term incentive plan ("**STIP**").

In March 2023, the Board approved grants for a total of 1,134,800 RSUs to the NEOs in lieu of paying cash for STIP bonuses for the year ended December 31, 2022, based on a fair value per RSU equal to a one-month volume weighted average share price.

In February 2022, the Board approved grants for a total of 504,900 RSUs to the NEOs in lieu of paying cash for STIP bonuses for the year ended December 31, 2021, based on a fair value per RSU equal to a 5-day volume weighted average share price.

In April 2021, the Board approved grants for a total of 266,600 RSUs to the NEOs at the time in lieu of paying cash for STIP bonuses for the eight months ended December 31, 2020, based on a fair value per RSU equal to a 5-day volume weighted average share price.

Long-term Incentive

Annually, the Board, at the recommendation of the Compensation and HR Committee, approves options or restricted share units/restricted stock ("**RSUs**") awards granted under the Corporation's LTIP.

In December 2023, the Board approved a grant of an aggregate of 850,000 recognition/incentive RSUs to the CEO and CFO of the Corporation.

In June 2023, the Board approved a grant of an aggregate of 850,000 recognition/incentive RSUs to the CEO and CFO of the Corporation.

In March 2023, the Board approved LTIP awards for the year ended December 31, 2022, for a total of 1,706,800 RSUs to NEOs, representing between 14% and 28% (based on their respective target awards and performance scores) of the NEO's base salary based on a fair value per RSU equal to a one-month volume weighted average share price.

Also in March 2023, the Board approved a grant of 100,000 recognition/incentive RSUs to the CFO of the Corporation.

In February 2022, the Board approved LTIP awards for the year ended December 31, 2021, for a total of

762,800 RSUs to NEOs, representing between 22% and 44% (based on their respective target awards and performance scores) of the NEO's base salary based on a fair value per RSU equal to a 5-day volume weighted average share price, as well as 240,000 stock options to an NEO.

In April 2021, the Board approved LTIP awards for the eight months ended December 31, 2020, for a total of 455,700 RSUs to NEOs at the time, representing between 21% and 42% (based on their respective target awards and performance scores) of the NEO's base salary based on a fair value per RSU equal to a 5-day volume weighted average share price.

Benchmark Review

In February 2022, the Corporation's Compensation and HR Committee, with assistance from the CEO and CFO, conducted an executive and director compensation review of publicly available data relating to the Corporation's peers' pay levels and practices, consisting of biotech companies listed on a Canadian stock exchange with market capitalization of between CAD\$90 million to \$1.0 billion, which the Corporation used to compare its existing compensation program and assist with evaluating the compensation program and establishing compensation during fiscal 2022. The following peer group was confirmed by the Board in February 2022. Depending on the NEO's position and available comparative data, up to 10 companies were included in the comparator group, as noted below.

- Cardiol Therapeutics Inc. (TSX)
- Oncolytics Biotech Inc. (TSX)
- Fennec Pharmaceuticals Inc. (TSX)
- Medicenna Therapeutics Corp. (TSX)
- IMV Inc. (TSX)
- Theratechnologies Inc. (TSX)
- BELLUS Health Inc. (TSX)
- Aptose Biosciences Inc. (TSX)
- HLS Therapeutics Inc. (TSX)
- Knight Therapeutics Inc. (TSX)

Comparative statistics (including percentile rankings) on base salaries, bonus plans and security based incentive plans were considered in the review. The Corporation targets competitive compensation, including base salary, short and long-term incentive compensation, versus the above peer group. Each compensation element is evaluated relative to the peer group 50th percentile.

It has been determined that the Corporation's executive compensation programs are not competitive, falling particularly short on long-term incentive compensation relative to Canadian peers. The Board continues to evaluate the findings and consider how to address the shortfall in long-term incentive compensation while aligning executives' interests with shareholder expectations, and encouraging long-term shareholder value creation.

Additional Equity Compensation Award to Align with Peer Group

As a result of the benchmarking review and with the benefit of a report by Mercer providing an analysis of the Corporation's equity compensation practices, the Compensation and HR Committee determined that the compensation that had been awarded by the Corporation to the NEOs and directors in recent years had been below the average of its peer group. Accordingly, the Compensation and HR Committee recommended (and the Board subsequently approved) effective March 2023, October 2022, August 2022, February 2022 and April 2021 that it would be appropriate to approve grants of additional equity compensation awards to the NEOs to re-align the Corporation's compensation program with its peer group. The grants to each individual were based on market analysis, each individual's respective length of service with the Corporation (applying a sliding scale) and their base salary. See further details below:

In March 2023, the Corporation granted a total of 850,000 RSUs to certain NEOs. These RSUs vest equally over six months from January 1 – June 1, 2023.

NEOs	Additional Grant of RSUs
Donald J. McCaffrey	500,000
A. Brad Cann	350,000

In October 2022, the Corporation granted 500,000 RSUs to the CEO. The RSUs vested immediately.

NEO	Additional Grant of RSUs
Donald J. McCaffrey	500,000

In August 2022, the Corporation granted a total of 1,100,000 RSUs to certain NEOs. 250,000 of the RSUs vest over 12 months – with 1/12 immediately upon date of grant and an additional 1/12 monthly (starting on August 31, 2022 and on the last day of each month) thereafter. The remaining RSUs vested 7/12 immediately upon date of grant and an additional 1/12 monthly thereafter from August 31 – December 31, 2022.

NEOs	Additional Grant of RSUs
Donald J. McCaffrey	400,000
Michael Sweeney	200,000
A. Brad Cann	250,000
Ewelina Kulikowski	250,000

In February 2022, the Corporation granted a total of 480,000 RSUs to certain NEOs. These RSUs vest over 12 months – with 1/12 immediately and an additional 1/12 monthly thereafter from February 28 – December 31, 2022.

NEOs	Additional Grant of RSUs
Donald J. McCaffrey	240,000
A. Brad Cann	240,000

In April 2021, the Corporation granted a total of 340,000 RSUs to certain NEOs. 55% of these RSUs vested immediately and the remaining 45% vested during the 9-month period following.

NEOs	Additional Grant of RSUs
Donald J. McCaffrey	200,000
A. Brad Cann	140,000

Material Elements of Compensation

The Corporation compensates its executive officers primarily through base salary, annual bonuses and long-term equity-based incentives, including the Option Plan and LTIP (described below).

1. Base Salary

Base salary is a material element of executive compensation intended to provide a competitive annual compensation. Base salary for NEOs recognizes: (i) the scope, complexity and responsibility of the role of the NEO; (ii) competitiveness with base salary levels for similar positions at companies included in the peer group; (iii) the NEOs previous experience and performance; and (iv) the NEOs performance ratings.

2. Short Term Incentive Plan - Annual Bonuses

The Corporation has a performance-based program that links the attainment of performance targets to short-term incentive pay targets. NEOs are eligible to receive a bonus of up to a percentage of base

salary, which is paid on a sliding scale relative to the successful completion of the established performance objectives. The sliding scale corresponds to a maximum target level that is reviewed and set annually by the Compensation and HR Committee. Current executive target levels range from 25% to 45% of base salary. Performance objectives are proposed to the Compensation and HR Committee for analysis and review and are recommended for final approval to the Board. The President and CEO abstains from voting at the Board meeting on these matters.

Performance targets for the NEOs and other executive officers are established annually in connection with the goals and objectives for the Corporation. For the year ended December 31, 2022, a single corporate achievement score was applied to all NEOs, the key components of which were: i) raising additional capital to fund operations and the Corporation's working capital deficit; ii) advancing strategic partnerships, licensing and/or sale; iii) advancing clinical and other development; and iv) managing the Corporation's business.

3. Long-Term Equity Based Incentives

The Corporation operates an Option Plan, LTIP and a DSU Plan (information provided previously under "*MATTERS TO BE ACTED UPON AT THE MEETING: Approval of the Unallocated Options, Rights and Other Entitlements Available Under the Corporation's Security Based Compensation Plans*") to provide its employees, consultants, officers and directors (as applicable) with a long-term incentive for high performance and commitment to the Corporation. Options granted under the Option Plan and RSUs granted under the LTIP vest over a period of time as designated by the Board.

The Corporation believes that participation by the NEOs in the Option Plan and LTIP aligns the interests of the NEOs with those of the Corporation's Shareholders, as the NEOs are rewarded for positive performance through share price appreciation. As a result of the vesting period for issued options, RSUs and restricted stock, participation by the NEOs in the Option Plan and LTIP focuses the NEOs on the long-term appreciation of the Corporation's share price.

In determining the number of options, RSU's and/or restricted stock to be granted to an NEO, the number and term previously granted, individual and team responsibilities and functions, position, individual performance and projected contribution are considered. Proposals for grants under the Option Plan and LTIP are reviewed and considered by the Compensation and HR Committee and recommended to the Board for final approval.

Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation, in Canadian dollars, to the Corporation's NEO's for the three most recently completed financial years.

Name and Principal Position	Period ended	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation ⁽¹⁾ (\$)	Total compensation (\$)
					Annual incentive plans ⁽⁵⁾ (\$)	Long-term incentive plans (\$)			
Donald J. McCaffrey ⁽²⁾ President, CEO and Secretary	Dec 31/23	505,200 ⁽⁴⁾	329,310 ⁽⁶⁾	Nil	Nil	N/A	Nil	Nil	834,510
	Dec 31/22	505,200 ⁽⁴⁾	767,167 ⁽⁷⁾⁽⁸⁾	Nil	Nil	N/A	Nil	Nil	1,272,367
	Dec 31/21	505,200 ⁽⁵⁾	471,112 ⁽⁸⁾⁽⁹⁾	Nil	Nil	N/A	Nil	Nil	976,312
A. Brad Cann Chief Financial Officer	Dec 31/23	211,350	274,800 ⁽⁶⁾	Nil	Nil	N/A	Nil	Nil	486,150
	Dec 31/22	281,800 ⁽⁴⁾	366,094 ⁽⁷⁾⁽⁸⁾	Nil	Nil	N/A	Nil	Nil	647,894
	Dec 31/21	281,800 ⁽⁵⁾	222,237 ⁽⁸⁾⁽⁹⁾	Nil	Nil	N/A	Nil	Nil	504,037
Dr. Mike Sweeney ⁽³⁾ Senior VP, Clinical Development	Dec 31/23	530,680	126,635 ⁽⁶⁾	Nil	Nil	N/A	Nil	Nil	657,315
	Dec 31/22	511,565	292,634 ⁽⁷⁾⁽⁸⁾	Nil	Nil	N/A	Nil	Nil	804,199
	Dec 31/21	492,911 ⁽⁵⁾	200,198 ⁽⁸⁾⁽⁹⁾	Nil	Nil	N/A	Nil	Nil	693,109
Dr. Ewelina Kulikowski Chief Scientific Officer	Dec 31/23	250,000	53,661 ⁽⁶⁾	Nil	Nil	N/A	Nil	Nil	303,661
	Dec 31/22	250,000	177,623 ⁽⁷⁾⁽⁸⁾	Nil	Nil	N/A	Nil	Nil	427,623
	Dec 31/21	250,000 ⁽⁵⁾	101,073 ⁽⁸⁾⁽⁹⁾	Nil	Nil	N/A	Nil	Nil	351,073

Notes:

- (1) The value of perquisites and other personal benefits received by each NEO was not in aggregate worth \$50,000 or more, or worth 10% or more of an NEOs total salary for each financial year.
- (2) Mr. McCaffrey is a member of the Corporation's Board; however he did not receive any additional compensation for acting as a director during fiscal years December 31, 2021, December 31, 2022 and December 31, 2023.
- (3) All cash amounts paid to Dr. Sweeney were paid in U.S. Dollars and for purposes of the above disclosure converted to Canadian Dollars based on an average exchange rate of 1.2533 for fiscal year December 31 2021, 1.3007 for fiscal year December 31, 2022 and 1.3493 for fiscal year December 31, 2023.
- (4) Figures include accrued salary not paid in 2023 and 2022.
- (5) As a cash conserving measure, effective November 2021, the Board approved grants of RSUs to the NEOs (as well as employees) in settlement of accrued but unpaid salary increases for the December 31, 2021 fiscal year (up to December 31, 2021). The aggregate accrued amount settled with RSUs for all the NEOs was \$190,921.
- (6) Represents the values of RSUs granted to the NEOs in the December 31, 2023 fiscal year. The RSUs vest over a period of immediately to one year. The Corporation estimates the fair values of RSUs based on the market price of the underlying Common Shares on the respective grant dates. The estimated fair market value of the RSUs granted on March 3, 2023 was based on the \$0.16 closing share price on the TSX on March 3, 2023. The estimated fair market value of the RSUs granted on April 4, 2023 was based on the \$0.21 closing share price on the TSX on April 4, 2023. The estimated fair market value of the RSUs granted on May 15, 2023 was based on the \$0.13 closing share price on the TSX on May 15, 2023. The estimated fair market value of the RSUs granted on May 26, 2023 was based on the \$0.12 closing share price on the TSX on May 26, 2023. The estimated fair market value of the RSUs granted on June 2, 2023 was based on the \$0.11 closing share price on the TSX on June 2, 2023. The estimated fair market value of the RSUs granted on June 12, 2023 was based on the \$0.11 closing share price on the TSX on June 12, 2023. The estimated fair market value of the RSUs granted on July 6, 2023 was based on the \$0.11 closing share price on the TSX on July 6, 2023. The estimated fair market value of the RSUs granted on July 14, 2023 was based on the \$0.10 closing share price on the TSX on July 14, 2023. The estimated fair

market value of the RSUs granted on July 19, 2023 was based on the \$0.10 closing share price on the TSX on July 19, 2023. The estimated fair market value of the RSUs granted on July 25, 2023 was based on the \$0.10 closing share price on the TSX on July 25, 2023. The estimated fair market value of the RSUs granted on August 14, 2023 was based on the \$0.10 closing share price on the TSX on August 14, 2023. The estimated fair market value of the RSUs granted on August 16, 2023 was based on the \$0.10 closing share price on the TSX on August 16, 2023. The estimated fair market value of the RSUs granted on November 15, 2023 was based on the \$0.07 closing share price on the TSX on November 15, 2023.

- (7) Represents the values of RSUs granted to the NEOs in the December 31, 2022 fiscal year. The RSUs vest over a period of immediately to one year. The Corporation estimates the fair values of RSUs based on the market price of the underlying Common Shares on the respective grant dates. The estimated fair market value of the RSUs granted on February 7, 2022 was based on the \$0.67 closing share price on the TSX on February 7, 2022. The estimated fair market value of the RSUs granted on August 22, 2022 was based on the \$0.29 closing share price on the TSX on August 22, 2022. The estimated fair market value of the RSUs granted on November 15, 2022, 2022 was based on the \$0.19 closing share price on the TSX on November 15, 2022.
- (8) As a cash conserving measure, the Corporation issued RSUs to the NEOs in lieu of paying cash for STIP bonuses for the years ended December 31, 2021 and December 31, 2022. Such grants are included in the "Share-based awards" column in the table above, in the subsequent fiscal period (in which the RSUs were actually granted).
- (9) Represents the values of RSUs granted to the NEOs in the December 31, 2021 fiscal year. The RSUs vest over a period of immediately to one year. The Corporation estimates the fair values of RSUs based on the market price of the underlying Common Shares on the respective grant dates. The estimated fair market value of the RSUs granted on April 5, 2021 was based on the \$0.87 closing share price on the TSX on April 5, 2021. The estimated fair market value of the RSUs granted on November 19, 2021 was based on the \$0.44 closing share price on the TSX on November 19, 2021.

Pursuant to a Management Services Agreement dated June 3, 2013, between the Corporation and Zenith Capital Corp. ("**Zenith**"), a biotechnology company and reporting issuer that has certain common directors and officers with the Corporation, Zenith engaged the Corporation to perform certain management and administrative services pertaining to Zenith as required. Zenith pays the Corporation a fee based on the cost of the Corporation's personnel and proportionate time worked on behalf of Zenith. The amounts reflected in the above table represent the gross compensation paid or payable by the Corporation to the NEOs, without any deduction for service fees paid by Zenith to the Corporation.

Incentive Plan Awards for NEOs

Outstanding Share-based Awards and Option-based Awards

The following table sets forth, for each NEO, all option-based and share-based awards outstanding as at December 31, 2023.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽¹⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾ (\$)
Donald J. McCaffrey	Nil	N/A	N/A	N/A	Nil	Nil	492,937
A. Brad Cann	Nil	N/A	N/A	N/A	Nil	Nil	138,348
Dr. Mike Sweeney	Nil	N/A	N/A	N/A	Nil	Nil	223,634
Dr. Ewelina Kulikowski	Nil	N/A	N/A	N/A	Nil	Nil	132,539

Notes:

- (1) The closing market price of the Corporation's Common Shares on the TSX on December 29, 2023 (the last trading day in 2023) was \$0.07. The value in the column is calculated using the number of shares or units of shares that have not vested and the market price on the TSX as at the last trading day of the fiscal year.
- (2) The closing market price of the Corporation's Common Shares on the TSX on December 29, 2023 was \$0.07. The value in the column is calculated using the number of shares or units of shares that have vested but not paid out or distributed and the market price on the TSX as at the last trading day of the fiscal year.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each NEO, the value vested or earned on all option-based awards, share-based awards, and non-equity incentive plan compensation during the year ended December 31, 2023.

Name	Option-based Awards – Value vested during the year ⁽¹⁾ (\$)	Share-based Awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
Donald J. McCaffrey	N/A	253,006	N/A
A. Brad Cann	N/A	248,426	N/A
Dr. Mike Sweeney	N/A	94,040	N/A
Dr. Ewelina Kulikowski	N/A	54,382	N/A

Notes:

- (1) No options vested for the NEOs during the year ended December 31, 2023.
- (2) On January 31, 2023, February 28, 2023, March 3, 2023, March 31, 2023, April 1, 2023, April 4, 2023, April 30, 2023, May 1, 2023, May 15, 2023, May 26, 2023, May 31, 2023, June 1, 2023, June 2, 2023, June 12, 2023, June 30, 2023, July 6, 2023, July 14, 2023, July 19, 2023, August 1, 2023, September 1, 2023, October 1, 2023, November 1, 2023, November 15, 2023, and December 1, 2023, RSUs vested for NEOs listed above. The closing market price of the Corporation's Common Shares on the TSX was \$0.15 on January 31, 2023, \$0.16 on February 28, 2023, \$0.16 on March 3, 2023, \$0.15 on March 31, 2023, \$0.15 on April 1, 2023, \$0.21 on April 4, 2023, \$0.15 on April 30, 2023, \$0.15 on May 1, 2023, \$0.13 on May 15, 2023, \$0.12 on May 26, 2023, \$0.12 on May 31, 2023, \$0.12 on June 1, 2023, \$0.11 on June 2, 2023, \$0.11 on June 12, 2023, \$0.08 on June 30, 2023, \$0.11 on July 6, 2023, \$0.10 on July 14, 2023, \$0.10 on July 19, 2023, \$0.11 on August 1, 2023, \$0.08 on September 1, 2023, \$0.07 on October 1, 2023, \$0.07 on November 1, 2023, \$0.07 on November 15, 2023, and \$0.07 on December 1, 2023.

Termination and Change of Control Benefits

As at December 31, 2023, the Corporation had executive employment agreements with each of Mr. McCaffrey, Mr. Cann, Dr. Sweeney, and Dr. Kulikowski, all of which include certain termination and change of control benefits, which are described below. The employment and consulting agreements are reviewed annually by the Compensation and HR Committee.

Donald J. McCaffrey

Mr. McCaffrey's employment agreement extends indefinitely, unless terminated by either party in accordance with the terms of the agreement. In the event of (i) a change of control, or (ii) for termination other than for cause, disability, death and voluntary termination, the President and CEO is entitled to severance equal to five months of base salary plus one month of base salary for each completed year of service subsequent to October 2, 2013, up to a total maximum of 18 months base salary, plus all accrued but unpaid bonuses. The agreement also provides for a 12-month non-competition clause following the termination of the agreement.

A. Brad Cann

Mr. Cann's employment agreement extends indefinitely, unless terminated by either party in accordance with the terms of the agreement. In the event of (i) a change of control, or (ii) for termination other than for cause, disability, death, and voluntary termination, the CFO is entitled to severance equal to 12 months base salary, plus all accrued but unpaid bonuses, with 50 percent payable immediately and 50 percent payable within six months after termination.

Dr. Mike Sweeney

Dr. Sweeney's employment agreement extends indefinitely, unless terminated by either party in accordance with the terms of the agreement. In the event of (i) a change of control, or (ii) for termination other than for cause, disability, death and voluntary termination, the Senior VP, Clinical Development is entitled to severance equal to five months of base salary plus one month of base salary for each completed year of service subsequent to November 2, 2014, up to a total maximum of 18 months base salary, plus all accrued but unpaid bonuses.

Dr. Ewelina Kulikowski

Dr. Kulikowski's employment agreement extends indefinitely, unless terminated by either party in accordance with the terms of the agreement. In the event of (i) a change of control, or (ii) for termination other than for cause, disability, death, and voluntary termination, the Chief Scientific Officer is entitled to severance equal to one month of base salary for each year of service, plus all accrued but unpaid bonuses, with 50 percent payable immediately and 50 percent payable within thirty days after termination.

Estimated Incremental Payment Obligations at December 31, 2023

The estimated incremental payment obligations of the Corporation related to the termination entitlements set forth above for each of the NEO's, assuming that the triggering event took place on December 31, 2023, are as follows:

Named Executive Officer	Months Used to Calculate Incremental Payment Obligation	Estimated Incremental Payment Obligations (\$)
Donald J. McCaffrey	15	818,035
A. Brad Cann	12	305,103
Dr. Mike Sweeney ⁽¹⁾	14	649,742
Dr. Ewelina Kulikowski	18	414,423

Triggering events include involuntary or constructive termination without cause and (excluding Dr. Sweeney) voluntary termination post change in control, and exclude resignation and retirement.

Notes:

(1) The estimated severance amounts for Dr. Sweeney and Dr. Johansson were converted to the Canadian dollar equivalent based on a 1.3493 yearly average exchange rate for the year ended December 31, 2023.

Incentive Plan Change of Control Benefits

The Board may in its discretion provide that all unvested options and LTIP awards issued to the NEOs vest upon the occurrence of a change of control in accordance with the provisions of the Corporation's Option Plan and LTIP. The aggregate value of unvested options held by such NEOs as at December 31, 2023 was \$Nil. The aggregate value of unvested LTIP awards held by such NEO's as at December 31, 2023 was \$Nil, as outlined in the "Market or payout value of share-based awards that have not vested" column of the table titled "Outstanding Share-based Awards and Option-based Awards".

In addition, effective October 2, 2020, the Board approved a Transaction Incentive Plan to motivate and reward officers and key employees for securing transactions that substantially enhance shareholder value. The Transaction Incentive Plan contemplates the establishment of an incentive pool in an amount equal to a percentage (the "Incentive Pool Percentage") of the aggregate consideration paid for the Common Shares or assets of the Corporation less certain deductions (the "Sale Consideration") pursuant to a change of control transaction, a sale of all of substantially all of the Corporation's assets or a similar transaction (a "Control Transaction"). The Transaction Incentive Plan provides for an Incentive Pool Percentage of nil if the Sale Consideration is less than \$10.00 per Common Share, and increasing from 0.25% to 1.00% if the Sale Consideration is equal to progressively larger amounts at or above \$10.00 per Common Share. The maximum Incentive Pool Percentage would only apply if the Sale Consideration is greater than \$17.50 per Common Share. Mr. McCaffrey, Dr. Sweeney, Dr. Kulikowski and Mr. Cann are each entitled to specific payments of amounts equal to prescribed percentages totaling 90% of the incentive pool. The remaining 10% of the incentive pool is unallocated and may be allocated by the Board to the Named Executive Officers or to other key executives or employees. Based on the closing market price of the Common Shares on December 29, 2023 of \$0.07 per Common Share, the estimated payment to Named Executive Officers pursuant to the Transaction Incentive Plan in the event of a Control Transaction would have been \$Nil.

Director Compensation

During the year ending December 31, 2023, the directors' fees were as follows:

Fee Type	Fee (CAD\$)
Annual Fee for a Director	35,000
Additional Annual Fee for Lead Director	10,000
Additional Annual Fee for Chair of Board	15,000
Additional Annual Fee for Chair of Audit and Finance Committee	12,000
Additional Annual Fee for Chair of Corporate Governance and Nominating Committee	8,000
Additional Annual Fee for Chair of Compensation and HR Committee	8,000
Meeting Fee for Board Meetings	1,200
Additional Board Meeting Fee for Chair of the Board	1,200
Meeting Fee for Committee Meetings	850
Additional Meeting Fee for Committee Chairs for Committee Meetings	850

In addition to the foregoing, expenses that are incurred by each director related to attendance at meetings of the Board or committees thereof are reimbursed. By policy, management directors are not paid an annual fee or a meeting fee.

The Board has approved the ability to grant DSUs, pursuant to the Corporation's DSU Plan, in lieu of directors' fees on a quarterly basis, subject to the directors providing instructions to the Corporation on an annual basis regarding the percentage allocation of payment of fees in either cash or DSUs. During the year ending December 31, 2023, DSUs were granted to the directors in lieu of cash, in consideration for directors' fees, as instructed by the directors.

Director Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, in Canadian dollars, to the following individuals who were directors of the Corporation for the most recently completed financial year, excluding Donald J. McCaffrey, an NEO of the Corporation, whose compensation has been previously disclosed in this Information Circular. As described below under "Incentive Plan Awards – Value Vested or Earned During the Year", for the year ended December 31, 2023, directors of the Corporation received DSUs, as a result of electing to receive DSUs in lieu of directors' fees otherwise payable in cash.

Name	Fees Earned (\$)	Share-based awards (\$) ⁽¹⁾	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Kelly McNeill	Nil	71,047	5,110	N/A	Nil	Nil	76,157
Kenneth Zuerblis	Nil	58,410	5,110	N/A	Nil	Nil	63,520
Shawn Lu ⁽³⁾	Nil	41,665	5,110	N/A	Nil	Nil	46,775
Siu Lun (Dicky) To	Nil	41,104	5,110	N/A	Nil	Nil	46,214

Notes:

- (1) Share-based awards are comprised of DSUs. The estimated fair market values of the DSUs granted on May 26, 2023, June 30, 2023, September 29, 2023 and December 29, 2023 were the share prices on May 26, 2023 of \$0.12, June 30, 2023 of \$0.08, September 29, 2023 of \$0.07 and December 29, 2023 of \$0.07, respectively.
- (2) Option-based awards amounts are non-cash fair value estimates of options granted during the year, calculated using the Modified Black-Scholes pricing model, whereby the fair value of stock options above is determined on the grant date. For accounting purposes, the compensation expense noted above would be amortized over the vesting period of the stock options. The Modified Black-Scholes model is an industry accepted valuation method. The estimated fair market value of the stock options granted on January 3, 2023 was \$0.10; the value was based on the following key assumptions: a term of 5 years, an expected life of 4.3

years, an exercise price of \$0.13, volatility of 99%, a share price of \$0.14 on January 3, 2023, and a risk-free rate of 3.9%, and expected dividend yield of 0%. The options vest 50 percent in 12 months and 50 percent in 24 months from the date of grant.

(3) Mr. Lu resigned from the Board on February 21, 2024.

Outstanding Share-based Awards and Option-based Awards to Directors

The following table sets forth for each director, other than Mr. McCaffrey as NEO, all option-based and share-based awards outstanding at December 31, 2023.

Name	Option-based Awards ⁽¹⁾				Share-based Awards ⁽²⁾		
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾ (\$)	Option expiration date	Value of unexercised in-the-money options ⁽³⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Kelly McNeill	50,000	0.13	Jan 3/28	Nil	Nil	Nil	121,319
	50,000	0.54	Jan 4/27				
	50,000	0.91	Jun 8/26				
	50,000	1.52	Nov 19/24				
Kenneth Zuerblis	50,000	0.13	Jan 3/28	Nil	Nil	Nil	111,993
	50,000	0.54	Jan 4/27				
	50,000	0.91	Jun 8/26				
	50,000	1.52	Nov 19/24				
Shawn Lu	50,000	0.13	Jan 3/28	Nil	Nil	Nil	70,444
	50,000	0.54	Jan 4/27				
	50,000	0.91	Jun 8/26				
Siu Lun (Dicky) To	50,000	0.13	Jan 3/28	Nil	Nil	Nil	62,973
	50,000	0.54	Jan 4/27				
	50,000	0.91	Jun 8/26				
	50,000	0.79	May 1/25				

Notes:

(1) The exercise price for the options was the five-day volume weighted average trading price of the Corporation's Common Shares on the TSX immediately preceding the date of grant.

(2) Share-based awards are comprised of RSUs and DSUs.

(3) The closing market price of the Corporation's Common Shares on the TSX on December 29, 2023 was \$0.07. The value in the column is calculated using the difference between the option exercise price and the market price on the TSX as at the last trading day of the fiscal year, for the vested stock options only.

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

The following table sets forth for each director, other than Mr. McCaffrey as NEO, the value vested or earned on all option-based awards and share-based awards during the year ending December 31, 2023. Directors of the Corporation have not participated in any non-equity incentive plans of the Corporation.

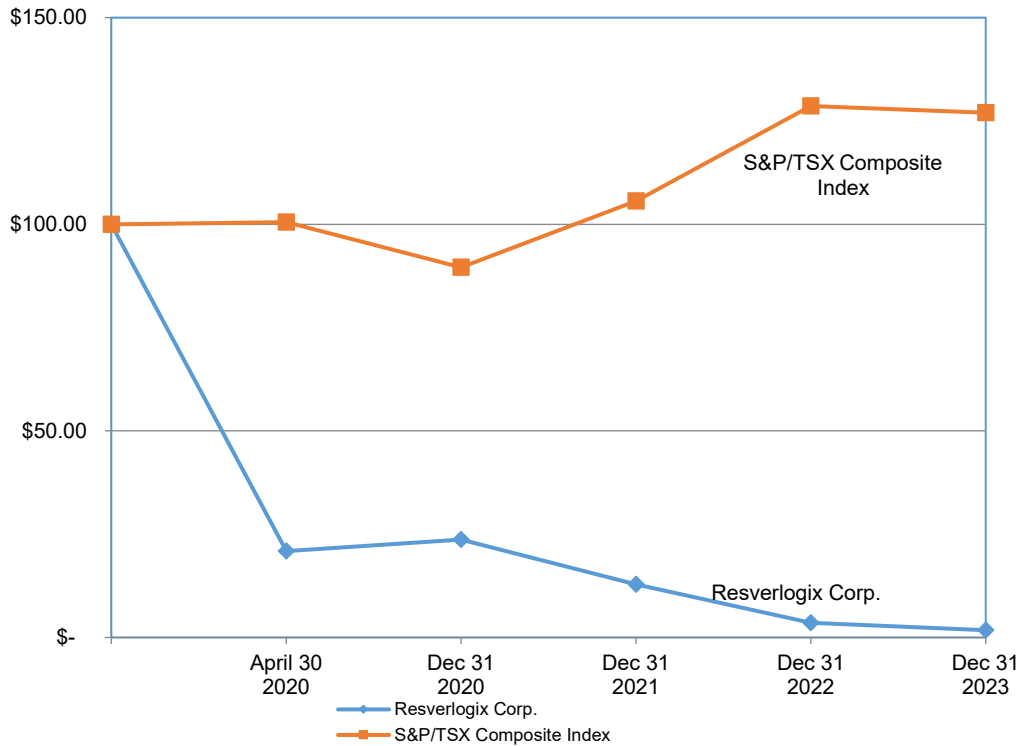
Name	Option-based Awards – Value vested during the year (\$)	Share-based Awards – Value vested during the year ⁽¹⁾ (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
Kelly McNeill	Nil	71,047	N/A
Kenneth Zuerblis	Nil	58,410	N/A
Shawn Lu	Nil	41,665	N/A
Siu Lun (Dicky) To	Nil	41,103	N/A

Notes:

- (1) On January 4, 2023 and June 8, 2023, Options vested for the directors listed above. The closing market price of the Corporation's Common Shares on the TSX was \$0.14 on January 4, 2023 and \$0.11 on June 8, 2023.
- (2) Share-based awards are comprised of RSUs and DSUs. On May 26, 2023, June 30, 2023, September 29, 2023 and December 29, 2023, DSUs vested for the directors listed above. The closing market price of the Corporation's Common Shares on the TSX was \$0.12 on May 26, 2023, \$0.08 on June 30, 2023, \$0.07 on September 29, 2023 and \$0.07 on December 29, 2023.

PERFORMANCE GRAPH

The following graph illustrates the cumulative total Shareholder return of a \$100 investment in the Corporation's Common Shares, compared with the cumulative total return of the S&P/TSX Composite Index. The time frame selected for the following performance graph is the Corporation's last five fiscal years (beginning on May 1, 2019 through to December 31, 2023).



The trend shown by the above performance graph does not directly correlate to the compensation received by the NEOs. The market price of the Corporation's Common Shares has been extremely volatile over the last five fiscal years. Over the same period of time, NEOs' base salaries have been increased modestly annually (and any salary increases have been settled in RSUs). NEOs' STIP and LTIP awards (whether or not actually received by the NEOs in a particular period, as described further herein) have fluctuated significantly over the last five fiscal years, but the fluctuations have been based on individual and corporate performance, not the market price of the Common Shares.

The factors considered by the Corporation's Compensation and HR Committee and Board in determining compensation matters, such as individual and corporate performance and demand for skilled professionals, do not necessarily correlate to the market price of the Common Shares.

The cumulative Shareholder return realized on the Common Shares is affected by a number of different factors, including company performance, regional and global economic conditions, the performance of the global financial markets generally and other factors, some of which are discussed under the heading "Risk Factors" in the Corporation's Annual Information Form dated March 28, 2024, which is available on the

Corporation's website and has been filed on and is accessible through SEDAR+ www.sedarplus.ca. Many of these factors are outside of the control of the Corporation.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Common Shares remaining available for issuance under equity compensation plans (excluding securities reflected in column a)
Equity compensation plans approved by securityholders	28,021,500 ⁽¹⁾	\$0.04 ⁽¹⁾	Nil ⁽²⁾
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	28,021,500	\$0.04	Nil

Notes:

- (1) 2,905,000 stock options, 20,838,364 RSUs and 4,278,136 DSUs approved by securityholders. The weighted average exercise price of the 2,905,000 stock options was \$0.37. The RSUs are subject to vesting criteria but do not require payment of an exercise price. The DSUs do not require payment of an exercise price.
- (2) The aggregate number of Common Shares that may be reserved for issuance from treasury under the Option Plan, the LTIP, and the DSU Plan shall not exceed 10% of the issued and outstanding shares of the Corporation. At December 31, 2023, the Corporation had 272,371,322 (10% being 27,237,132) Common Shares issued and outstanding. As at June 14, 2024, the Corporation has 703,848 common shares remaining available under equity compensation plans.

AUDIT COMMITTEE INFORMATION

Under National Instrument 52-110 - *Audit Committees*, the Corporation is required to include in its Annual Information Form ("**AIF**") the disclosure required under Form 52-110F1 with respect to its audit committee, including the text of its audit committee charter, the composition of the audit committee and the fees paid to the external auditor and to include in its management information circular a cross-reference to the sections in the AIF that contain the required information. The Corporation's disclosure with respect to the foregoing is contained in the section of the AIF dated March 28, 2024 entitled "*Directors and Executive Officers - Audit Committee Matters*". The AIF is available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

General

The Board and senior management of the Corporation consider good corporate governance to be central to the effective operation of the Corporation and are committed to maintaining a high standard of corporate governance.

The Board has delegated primary responsibility for the development of certain governance practices and mechanisms to the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee's charter provides that the responsibilities of such committee include: (i) establishing and reviewing member characteristics for the Board; (ii) evaluating, identifying and recommending nominees to the Board; (iii) monitoring and reviewing the education and development of members of the Board; (iv) recommending directors to serve as committee members and chairs; (v) reviewing and developing corporate governance guidelines, policies and procedures for the Board; (vi) establishing and implementing evaluation processes for the Board, committees and chairs; (vii) establishing procedures for

the engagement of independent counsel by a director; (viii) reviewing disclosure by the Corporation of matters within the committee's mandate; and (ix) reviewing and evaluating the committee's charter and efficacy.

The Board and the Corporation have devoted significant attention and resources to reviewing the Corporation's corporate governance practices and ensuring that the Corporation's system of corporate governance will meet applicable legal requirements on an ongoing basis. The Board adopted its Terms of Reference ("**Terms of Reference**") and a number of policies including policies related to insider trading, disclosure and the media, and a whistleblower policy, to assist the Corporation in maintaining a high standard of corporate governance. With input from the relevant committees, the Board also created the charters for its committees: the Audit and Finance Committee, the Compensation and HR Committee, and the Corporate Governance and Nominating Committee.

The Board and the Corporation has adopted Corporate Governance Guidelines (which set out the responsibilities of the Board as a whole, the structure of the Board, the responsibilities of directors and other matters related to the operations of the Board) and a Code of Ethics and Business Conduct (which is applicable to all directors, officers and employees of the Corporation).

In November 2021, the Corporate Governance and Nominating Committee conducted a review of the Corporation's governance policies, charters and terms of reference and minor amendments were recommended. The Board is committed to continuing to monitor new developments relating to governance best practices to ensure the Corporation is achieving compliance and implementing processes accordingly.

Mr. Donald J. McCaffrey is Chairman of the Board and Mr. Kelly McNeill serves as Lead Director and position descriptions have been approved for these positions. Since Mr. McCaffrey is not an independent Chairman, Mr. McNeill, as Lead Director, works to ensure that the Board operates independently of management and that Board members have an independent leadership contact. The Chairman manages the affairs of the Board, with a view to ensuring that the Board functions effectively and meets its obligations and responsibilities. As the Board is comprised of a majority of independent directors, each of whom has significant experience in, and an understanding of the role and responsibilities of acting as a director, the independent directors believe that they collectively provide active and appropriate leadership amongst themselves with respect to stewardship of the Corporation.

Set out below is a description of certain corporate governance practices of the Corporation.

Board of Directors

National Policy 58-201 – *Corporate Governance Guidelines* recommends that boards of directors of reporting issuers be composed of a majority of independent directors. The Board is currently comprised of four (4) directors, all of whom are being proposed for re-election at the Meeting. Pursuant to the Terms of Reference, the Board is responsible for assessing director independence. The Board has assessed the independence of each director in accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Instrument 52-110 – *Audit Committees*. Following this assessment as at the Effective Date, the Board concluded that three of the four existing directors (and therefore a majority of the directors), being Mr. McNeill, Mr. To and Mr. Zuerblis, are independent. Mr. McCaffrey is not considered independent by virtue of his executive position with the Corporation.

The Corporation and the Board recognize the significant commitment involved in being a member of the Board. The Corporate Governance Guidelines set out rules regarding limitations on the number of boards of other publicly traded companies on which a director may serve, the minimum number of Board meetings to be held annually by the Corporation, orientation and continuing education for Board members, as well as Board and management responsibilities.

Currently, the following directors serve on the boards of directors of other reporting issuers in Canada (or the equivalent in a foreign jurisdiction) as listed below. Some of the directors currently serve together on the board of Zenith Capital Corp., a non-exchange listed reporting issuer.

Director	Public Company Board Membership
Donald J. McCaffrey	Zenith Capital Corp. (reporting issuer only)
Kelly McNeill	Zenith Capital Corp. (reporting issuer only)
Siu Lun (Dicky) To	None
Kenneth Zuerblis	Zenith Capital Corp. (reporting issuer only)

The Board generally meets four to five times per year and additionally during the year as the need arises. The frequency and length of meetings and the nature of agenda items depend upon the circumstances. Meetings are generally lengthy, detailed and well attended, and are conducted in an atmosphere that encourages participation and independence. In order to promote candid discussion among the independent directors, an in-camera session is considered at every board and committee meeting, from which Mr. McCaffrey, and any management invitees in attendance are recused. Information regarding the number of board and committee meetings held during the year ended December 31, 2023 and the attendance at such meetings is provided below:

	Committees			
	Board	Audit and Finance	Corporate Governance and Nominating	Compensation and HR
Number of Meetings Held	5	4	1	1
Number of Meetings Attended				
Donald J. McCaffrey	5 of 5	n/a	n/a	n/a
Kelly McNeill	5 of 5	4 of 4	1 of 1	1 of 1
Kenneth Zuerblis	5 of 5	4 of 4	n/a	1 of 1
Shawn Lu ⁽¹⁾	4 of 5	3 of 4	1 of 1	n/a
Siu Lun (Dicky) To	5 of 5	n/a	1 of 1	1 of 1

Note:

(1) Mr. Lu resigned from the Board on February 21, 2024.

Board Mandate

The Board's primary responsibility is for the stewardship of the Corporation and the Board's fundamental objectives are to enhance and preserve long-term Shareholder value and to ensure that the Corporation meets its obligations on an on-going basis and operates in a reliable and safe manner. In performing its duties, the Board may also consider the legitimate interests which other stakeholders, such as employees, clinical trial participants, regulatory authorities and communities, may have in the Corporation. In broad terms, the stewardship of the Corporation involves the Board in strategic planning, risk management and mitigation, senior management determination, communication planning, and internal control integrity.

The Board discharges these responsibilities directly and through delegation of specific responsibilities to committees of the Board, and officers of the Corporation.

The Board Terms of Reference are attached as Appendix A.

Position Descriptions

The Board has developed formal written position descriptions for the Chair, Lead Director, Chief Executive Officer and committee chairs. The Board believes in a management team of the highest calibre and delegates specific duties and responsibilities to board committees and management and imposes certain limitations as to the authority of the committees and management, including, for example, discretionary spending limits within the annual capital expenditure budget and an investment policy specifying how and where the Corporation invests its cash. The Chief Executive Officer, together with other members of senior

management, are responsible for ensuring that the corporate objectives, developed annually with the Board, are met in order to enhance Shareholder value. The Lead Director provides independent leadership to the Board, facilitates the functioning of the Board independently of the Corporation's management and maintains and enhances the quality of the Corporation's corporate governance practices.

Orientation and Continuing Education

Each new director on the Board is provided with a director's manual, which is updated on a regular basis. New members are expected to review and become familiar with its contents. The director's manual contains the Board Terms of Reference, committee terms of reference, Corporate Governance Guidelines, the Code of Business Conduct and Ethics and the position descriptions of any officers and Committee Chairs, other key corporate policies and relevant corporate and Board information.

The Corporation also provides directors with opportunities to increase their knowledge and understanding of the Corporation's business. Briefings on strategic issues are conducted regularly, and typically include reviews of the competitive environment, the Corporation's performance relative to its peers, and any other developments that could materially affect the Corporation's business. In addition, the Board is briefed on a regular basis on corporate governance developments and emerging best practices in corporate governance.

Ethical Business Conduct

The Board adopted a Code of Business Conduct and Ethics ("**Code**") which sets out in detail the purpose, scope and application of the Code and outlines general principles by which the Corporation is governed. The Code and the method of administering the Code, handling inquiries and complaints, investigating violations, and reporting to the Board on matters related to the Code has been communicated to directors, officers and employees. The Code is accessible on SEDAR+ at www.sedarplus.ca.

The Board and the Audit and Finance Committee have established a Whistleblower Policy and engaged an independent whistleblower service provider to encourage employees, officers and directors to raise concerns regarding any matters, including accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment. A report on the status of any matters arising from the Whistleblower Policy is provided, as required, at the meetings of the Audit and Finance Committee.

In addition, in order to ensure independent judgment in considering transactions/agreements in which a director/officer has a material interest, all related party transactions are approved by the independent directors and all payments under related party transactions are approved by the Audit and Finance Committee.

Nomination of Directors

The responsibility for identifying new candidates for Board nomination has been delegated to the Corporate Governance and Nominating Committee. As of the Effective Date, the Corporate Governance and Nominating Committee is comprised of Mr. McNeill, Mr. To and Mr. Zuerblis, all of whom are independent directors. For further information concerning the responsibilities, powers and operations of the Corporate Governance and Nominating Committee see above under "*General*". If a vacancy occurs on the Board, or if additional members are deemed necessary, the Corporate Governance and Nominating Committee will, in consultation with the President and CEO, identify candidates who satisfy the skills and characteristics criteria and the long-term plan for the Board composition established by such committee. The Corporate Governance and Nominating Committee will recommend such candidates to the Board for appointment.

On an annual basis, the Corporate Governance and Nominating Committee conducts a process whereby each director's experience and background is reviewed and information regarding potential additional skills and experience considered important to the Corporation at its current stage of development is assessed.

Compensation

Further information regarding the activities of the Compensation and HR Committee is provided under the heading “*EXECUTIVE COMPENSATION*” elsewhere in this Management Information Circular.

Other Board Committees

The Board does not have any standing committees other than the Audit and Finance Committee, the Corporate Governance and Nominating Committee and the Compensation and HR Committee.

The Board from time to time and on an ad hoc basis may determine it to be in the best interests of the Corporation to form special committees of the Board to review or investigate specific matters and report findings or recommendations to the Board for further consideration. Following the completion or finalization of the matter or purpose for which the special committee had been established, the special committee is dissolved and ceases to exist.

Board Assessments

In August 2022, the Corporate Governance and Nominating Committee coordinated, and the Board completed its annual formal evaluation process to assess the effectiveness of the Board as a whole, including a general review of the committees of the Board and the contribution of individual directors.

Term Limits

The Board has not adopted term limits for Board members or other mechanisms of Board renewal. However, the Corporate Governance and Nominating Committee has a process in place for the review of the performance of individual directors, the Board as a whole and the Board committees. Through this annual review process, the Corporate Governance and Nominating Committee determines whether an individual director is able to continue to make an effective contribution and recommends changes when appropriate. The Board is of the view that a regular review process is more effective than arbitrary term limits or other mechanisms of Board renewal such as mandatory retirement.

Representation of Women on the Board and in Executive Officer Positions

Policies

The Board has adopted a written diversity policy that sets out the Corporation’s approach to diversity, including gender diversity on the Board and among the executive officers of the Corporation. The objective of the diversity policy is to ensure that the Board and the executive team has an appropriate mix of diversity, skill and expertise. All Board and executive officer appointments are based on merit, and the skill and contribution that the candidate is expected to bring to the Board and the executive team, with due consideration given to the benefit of diversity in supporting balanced consideration of matters and effective decision making.

Pursuant to the diversity policy, when considering the composition of, and individuals to nominate or appoint to, the Board and the executive team, the Corporate Governance and Nominating Committee and the Board, as applicable, consider diversity from a number of perspectives, including but not limited to gender, age, ethnicity and cultural diversity. In addition, when assessing and identifying potential new members to join the Board or the executive team, the Corporate Governance and Nominating Committee and the Board, as applicable, first consider the current level of diversity on the Board and the executive team.

The Corporate Governance and Nominating Committee and the Board are responsible for developing objectives to implement the diversity policy and to measure its effectiveness. The Corporate Governance and Nominating Committee report on and evaluate (most recently conducted in November 2021) the effectiveness of the policy and consider whether to set a specific target based on diversity for the

appointment of individuals to the Board. The Board intends to review, at an appropriate time, the policy and whether to set a specific target.

On an annual basis, the Corporate Governance and Nominating Committee conducts a process whereby each director completes a skills matrix to disclose their individual skills, experience and background. The results are reviewed and recommendations discussed regarding additional skills, experience and background considered important to the Corporation at its current stage of development and the appropriate size for the Board. The Board determines whether to actively seek potential director candidates who possess these qualities, notwithstanding the challenges identified regarding the small size of the Board, limited financial resources and volatile capital markets the Corporation is currently experiencing, in attracting a new candidate to its Board.

Consideration of the Representation of Women in the Director Identification and Selection Process

The Governance and Nominating Committee considers the skills, experience and background that would enhance the overall effectiveness of the Board and seeks candidates that are anticipated to bring those qualities to the Board. Gender diversity is one of many criteria that is considered, however a candidate's skills and experience are the primary criteria. For more information on the director identification and selection process, please refer to "Nomination of Directors".

Consideration of the Representation of Women in Executive Officer Appointments

In evaluating candidates for executive positions, the Corporation considers a broad range of skills and experience and makes appointments based on merit and the contribution that the candidate is expected to make to the Corporation. Gender diversity is one of many criteria that is considered, however a candidate's skills and experience are the primary criteria.

Targets Regarding the Representation of Women in Board and Executive Officer Positions

The Corporation has set a target of adding one additional female director to the Board meeting the skills and experience considered important to the Corporation, and the Corporate Governance and Nominating Committee will evaluate progress in achieving this target periodically, at least annually. The Corporation has not set a specific target timeframe for adding the additional female director to the Board due to the infrequent turnover of directors and the desire to assess candidates based on their skills, experience and other qualities as a whole, rather than with a view to compliance with a specific target based on gender, and to attract the most qualified individuals available.

The Corporation has not adopted a target relating to the representation of women in executive officer positions due to the infrequent turnover of executive officer positions and the desire to assess candidates based on their skills, experience and other qualities as a whole, rather than with a view to compliance with a specific target based on gender, and to attract the most qualified individuals available.

Number of Women on the Board and in Executive Officer Positions

The Corporation currently has no women (0%) that serve on the Board and one woman (25%) in an executive officer position.

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

To the knowledge of the Board and management of the Corporation, no director or executive officer of the Corporation or anyone who has held office as such since the beginning of the last financial year of the Corporation nor any proposed nominee for election as a director of the Corporation or of any associate or affiliate of any of the foregoing has a material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth below, to the knowledge of the Board and management of the Corporation, none of the Corporation's directors, executive officers or companies or persons that beneficially own or control or direct, directly or indirectly, or a combination of both, more than 10 percent of the Corporation's Common Shares, proposed nominees for election as directors of the Corporation or any of their respective associates or affiliates, has any material interest in any transaction with the Corporation since the commencement of the Corporation's last financial year, or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

In May 2021, the Corporation entered into an investment agreement with a subsidiary of Shenzhen Hepalink Pharmaceutical Group Co., Ltd. ("**Hepalink**") whereby Hepalink purchased a 10% secured convertible debenture of the Company in the aggregate principal amount of US\$6 million (the "**Debenture**") for a purchase price equal to the principal amount of the Debenture. In April 2022, the Corporation closed a one-year extension of its Debenture, and payment of accrued interest thereon, extending the maturity date to May 13, 2023. In March 2023, the Corporation announced a further one-year extension of its Debenture, and payment of accrued interest thereon, extending the maturity date to May 13, 2024. In connection with the most recent extension, the interest rate was amended from 10% to 12% per annum, commencing on May 13, 2023.

Subject to shareholder and TSX approval, the Corporation and Hepalink propose to further amend the Debenture to increase the interest rate from 12% to 18% per annum, extend the maturity date of the Debenture to May 13, 2026 and eliminate the right of Hepalink to convert the principal amount of the Debenture and interest thereon into common shares of the Corporation, as more particularly described under "Matters to be Acted Upon at the Meeting – Proposed Debenture Amendment."

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, proposed director, officer, nor any of their respective associates is, or has been at any time during the year ended December 31, 2023, indebted to the Corporation or any of its subsidiaries, nor has any such individual been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

OTHER MATTERS

As of the date of this Management Information Circular, the Board and management know of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting; however, if any other matter properly comes before the Meeting, proxies in favour of management nominees will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

The contents and the sending of this Management Information Circular have been approved by the Directors of the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information relating to the Corporation's most recently completed financial year is provided in the Corporation's comparative financial statements and management's discussion and analysis available on SEDAR+. A shareholder may contact the Corporation at 300, 4820 Richard Road SW, Calgary, Alberta, T3E 6L1, Attention: CFO, to obtain a copy of the Corporation's most recent financial statements and management discussion and analysis.

Dated June 14, 2024

APPENDIX "A" ATTACHED TO THE MANAGEMENT INFORMATION CIRCULAR IN CONNECTION WITH THE ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS OF RESVERLOGIX CORP. TO BE HELD ON JULY 31, 2024

BOARD OF DIRECTORS' TERMS OF REFERENCE

RESVERLOGIX CORP.

BOARD OF DIRECTORS - TERMS OF REFERENCE

The board of directors (the "Board") of Resverlogix Corp. ("Resverlogix") is responsible for overseeing the conduct of the business of Resverlogix and the activities of management, who are responsible for the day-to-day conduct of the business.

Composition and Operation

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains responsibility for managing its own affairs, including selecting its chair, planning its composition and size, nominating candidates for election to the Board, constituting committees of the Board, and delegate to such committees specific responsibilities, pursuant to their respective mandate, as approved by the Board, determining director compensation, and assessing the effectiveness of the Board, committees and directors in fulfilling their responsibilities. Subject to the articles and by-laws of Resverlogix and the *Business Corporations Act* (Alberta), the Board may constitute, seek the advice of, and delegate powers, duties and responsibilities to, committees of the Board.

Responsibilities

The Board's primary responsibility is for the stewardship of Resverlogix and the Board's fundamental objectives are to enhance and preserve long-term shareholder value and to ensure that Resverlogix meets its obligations on an on-going basis and operates in a reliable and safe manner. In performing its duties, the Board may also consider the legitimate interests other stakeholders, such as employees, customers and communities, may have in Resverlogix. In broad terms, the stewardship of Resverlogix involves the Board in strategic planning, risk management and mitigation, senior management determination, communication planning, and internal control integrity.

Specific Duties

The Board's specific duties, obligations and responsibilities fall into the categories outlined below.

- (a) Legal Requirements
 - (i) The Board has oversight responsibility for Resverlogix's satisfaction of its legal obligations and for properly preparing, approving and maintaining Resverlogix's documents and records.
 - (ii) The Board has the statutory obligation to:
 - (A) manage, or supervise the management of, the business and affairs of Resverlogix;
 - (B) act honestly and in good faith with a view to the best interests of Resverlogix;
 - (C) exercise the care, diligence and skill that reasonably prudent people would exercise in comparable circumstances; and
 - (D) act in accordance with its obligations contained in the *Business Corporations Act* (Alberta) and the regulations thereunder, Resverlogix's articles and by-laws, and other relevant legislation and regulations.

- (iii) The Board has the statutory obligation to consider as a board of directors, and may not delegate to management or to a committee of directors, certain matters including but not limited to the following matters:
 - (A) submission to the shareholders of any question or matter requiring the approval of the shareholders;
 - (B) filling a vacancy among the directors or in the office of auditor;
 - (C) appointing additional directors;
 - (D) issuing securities, including granting of options, except in the manner and on the terms authorized by the Board;
 - (E) declaring dividends;
 - (F) purchasing, redeeming or otherwise acquiring shares issued by Resverlogix, except in the manner and on the terms authorized by the Board;
 - (G) paying a commission to any person in consideration of the person's purchasing or agreeing to purchase shares of Resverlogix from Resverlogix or from any other person, or procuring or agreeing to procure purchasers for shares of Resverlogix;
 - (H) approving any management proxy circular relating to a solicitation of proxies by or on behalf of the management of Resverlogix;
 - (I) approving any take over bid circular or directors' circular;
 - (J) approving any annual or interim financial statements of Resverlogix;
 - (K) approving the Annual Information Form of Resverlogix;
 - (L) adopting, amending or repealing by-laws; and
 - (M) recording and maintaining minutes of meetings of the Board.

(b) Governance Policies

The Board is responsible for developing Resverlogix's approach to corporate governance, including:

- (A) developing a set of corporate governance guidelines for Resverlogix;
- (B) approving and monitoring compliance with all significant policies and procedures relating to corporate governance; and
- (C) implementing appropriate structures and procedures to permit the Board to function independently of management.

(c) Strategy Determination

The Board is responsible for ensuring that there are long-term goals and a strategic planning process in place for Resverlogix and participating with management directly or through its

committees in approving the mission of Resverlogix and the strategic plan by which Resverlogix proposes to achieve its goals including:

- (A) adopting a strategic planning process and reviewing and approving annually a corporate strategic plan and vision which takes into account, among other things, the opportunities and risks of the business on a long-term and short-term basis;
- (B) reviewing and approving management's strategic and operational plans to ensure they are consistent with the corporate vision; and
- (C) monitoring performance against both short-term and long-term strategic plans and annual performance objectives.

(d) Managing Risk

The Board is responsible for understanding the principal risks of the business in which Resverlogix is engaged, and reviewing whether Resverlogix achieves a proper balance between risks incurred and the potential return to shareholders, and confirming that there are systems in place that effectively monitor and manage those risks with a view to the long-term viability of Resverlogix.

(e) Appointment, Training and Monitoring Senior Management

The Board is responsible for:

- (A) appointing the chief executive officer of Resverlogix (the "CEO"), monitoring and assessing the CEO's performance, determining the CEO's compensation, and providing advice and counsel to the CEO in the execution of the CEO's duties;
- (B) approving or developing the corporate objectives that the CEO is responsible for meeting and assessing the CEO against those objectives;
- (C) approving the appointment and remuneration of all officers of Resverlogix;
- (D) confirming that adequate provision has been made for the training and development of management and for the orderly succession of management; and
- (E) approving, as recommended by the Compensation and HR Committee, the succession plans for the Chief Executive Officer and Chief Financial Officer.

(f) Corporate Social Responsibility, Ethics and Integrity

The Board is responsible for:

- (A) taking all reasonable steps to satisfy itself of the integrity of the CEO and management and satisfying itself that the CEO and management create a culture of integrity throughout the organization;
- (B) approving Resverlogix's ethics policy; and
- (C) monitoring compliance with Resverlogix's ethics policy and grant and disclose, or decline, any waivers of the ethics policy for officers and directors.

(g) Reporting and Communication

The Board is responsible for:

- (A) verifying that Resverlogix has in place policies and programs to enable Resverlogix to communicate effectively with its shareholders, other stakeholders and the public generally;
- (B) verifying that the financial performance of Resverlogix is adequately reported to shareholders, other security holders and regulators on a timely and regular basis;
- (C) verifying that Resverlogix's financial results are reported fairly and in accordance with generally accepted accounting principles;
- (D) verifying the timely reporting of any other developments that have a significant and material effect on the value of Resverlogix;
- (E) reporting annually to shareholders on the Board's stewardship of the affairs of Resverlogix for the preceding year;
- (F) adopting measures for receiving feedback from stakeholders and ensuring appropriate disclosures of the measures are made; and
- (G) annually reviewing Resverlogix's Whistleblower Policy and providing an awareness program to all employees.

(h) Financial Reporting and Management

The Board will:

- (A) approve financial statements and review and oversee compliance with applicable audit, accounting and financial reporting requirements;
- (B) approve annual operating and capital budgets;
- (C) satisfy itself that management has an appropriate system in place to ensure the integrity of internal control and management information systems, and review the effectiveness of internal control procedures annually;
- (D) confirm that Resverlogix has a system in place for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, including the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- (E) review operating and financial performance results relative to established strategy, budgets and objectives and revise and alter its direction through management in response to changing circumstances; and
- (F) approve significant changes in accounting practices or policies.

(i) Monitoring and Acting

The Board is responsible for:

- (A) ensuring that Resverlogix operates at all times within applicable laws and regulations to the highest ethical and moral standards;
- (B) approving and monitoring compliance with the significant policies and procedures by which Resverlogix is operated;
- (C) ensuring that Resverlogix sets high environmental standards in its operations and is in compliance with environmental laws and legislation;
- (D) ensuring that Resverlogix has in place appropriate programs and policies for the health and safety of its employees in the workplace;
- (E) annually reviewing and approving third party liability insurance, including directors' and officers' insurance and indemnification matters;
- (F) reviewing and considering for approval all material amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy;
- (G) taking action when Resverlogix's performance falls short of its goals and objectives or when other special circumstances warrant;
- (H) approving director's compensation, as recommended by the Compensation and HR Committee;
- (I) approving individual director mandates that establish the expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at board meetings and advance review of meeting materials; and
- (J) annually conducting and reviewing a formal Board and Committee effectiveness assessment.

(j) Outside Consultants or Advisors

At Resverlogix's expense, the Board may retain, when it considers it necessary or desirable, outside consultants or advisors to advise the Board independently on any matter. The Board shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to review a consultant's or advisor's fees and other retention terms.

(k) Review of the Board Terms of Reference

The Board shall assess the adequacy of these Terms of Reference annually and shall make any changes deemed necessary or appropriate.

(l) Other

The Board may perform any other activities consistent with these terms of reference, Resverlogix's articles and by-laws, and any other governing laws, as the Board deems necessary or appropriate.

At the invitation of the Chair, one or more officers or employees or other advisors of Resverlogix may, and if required by the Board shall, attend a meeting of the Board. However, with respect to issues relating directly to the Chief Executive Officer or management of Resverlogix, the Board may bar those individuals from attending meetings during a deliberation or voting process during that period of time.