

# NANOSPHERE HEALTH SCIENCES INC.

Suite 488 – 1090 West Georgia Street, Vancouver, BC V6E 3V7

## INFORMATION CIRCULAR

**for the Annual General Meeting of Shareholders to be held on December 13, 2024**  
(containing information as at November 4, 2024, unless indicated otherwise)

### SOLICITATION OF PROXIES

This information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of **NanoSphere Health Sciences Inc.** (the "**Company**") for use at the annual general meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of the Company, to be held on **Friday, December 13, 2024** at the time and place and for the purposes set forth in the accompanying notice of annual general meeting and at any adjournment thereof. The enclosed instrument of proxy (the "**Proxy**") is solicited by the management of the Company. The solicitation will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the Proxy are directors and/or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for the Shareholder on the Shareholder's behalf at the Meeting other than the persons named in the Proxy. To exercise this right, a Shareholder shall strike out the names of the persons named in the Proxy and insert the name of the Shareholder's nominee in the blank space provided, or complete another instrument of proxy.** An instrument of proxy will not be valid unless (i) duly completed, signed and dated by the Shareholder or by the Shareholder's attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer; and (ii) deposited with the Company's registrar and transfer agent, Computershare Investor Services Inc. ("**Computershare**") by hand or mail at 510 Burrard Street, 3rd floor, Vancouver, British Columbia, V6B 3B9, or by fax within North America at 1-866-249-7775 or outside North America at 1-416-263-9524, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

A Shareholder who has given an instrument of proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, an instrument of proxy may be revoked by instrument in writing signed by the Shareholder or by the Shareholder's attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer, and deposited with Computershare, at 510 Burrard Street, 3rd floor, Vancouver, British Columbia, V6B 3B9, or by fax within North America at 1-866-249-7775 or outside North America at 1-416-263-9524, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof at which the instrument of proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. The revocation of an instrument of proxy does not affect any matter on which a vote has been taken prior to the revocation.

### VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the Proxy will vote the shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction. **In the absence of any instruction in the Proxy, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this Information Circular.** The Proxy, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the management should properly come before the Meeting, the Proxies hereby solicited will be voted on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority greater than one-half (1/2) of the votes cast will be required unless the motion requires a special resolution, in which case a majority of not less than two-thirds (2/3) of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested shareholder approval, common shares held by Shareholders of the Company who are also "insiders", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

## **ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name.** Shareholders who do not hold their common shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only instruments of proxy deposited by Shareholders whose names appear on the records of the Company 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 Company. 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 CDS & Co., the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms.

The common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.** Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form ("**VIF**") provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the common shares on how to vote such shares on behalf of the Beneficial Shareholder.

There are two kinds of Beneficial Shareholders: those who object to their name being made known to the issuer of the securities ("**OBOs**" for "**Objecting Beneficial Owners**"), and those who do not object to the issuer of the securities knowing who they are ("**NOBOs**" for "**Non-Objecting Beneficial Owners**"). Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, issuers can obtain a list of their NOBOs from intermediaries for the distribution of proxy related materials to NOBOs. This year, the Company has decided to take advantage of those provisions of NI54-101 that permit it to directly deliver proxy related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from the Company's transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contains complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company is not relying on the "notice-and-access" delivery procedures outlined in NI54-101 to distribute copies of the proxy related materials in connection with the Meeting. These securityholder materials are being sent to both registered and non-registered owners of the common shares of the Company. If you are a non-registered owner and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. In this event, by choosing to send this Information Circular and accompanying Proxy to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering this Information Circular to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The Company does not intend to pay for intermediaries to forward to OBOs, under NI54-101, the proxy related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*, and in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting common shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a proxyholder for a Shareholder and vote common shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their common shares as a proxyholder.

**All references to Shareholders in this Circular and the accompanying form of proxy are to registered shareholders unless specifically stated otherwise.**

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

Except as otherwise disclosed herein, none of the directors or executive officers of the Company at any time since the beginning of the last financial year of the Company, the proposed nominees for election as a director of the Company, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors or the appointment of auditors.

## **RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS**

The authorized capital of the Company consists of an unlimited number of common shares without par value. As of the close of business on **November 4, 2024**, the record date for the Meeting (the "**Record Date**"), there were 10,275,205 common shares of the Company issued and outstanding, each carrying the right to one vote.

Only Shareholders of record as of the close of business on the Record Date who either personally attend the Meeting or who have completed and delivered an instrument of proxy in the manner and subject to the provisions described under the heading "*Appointment and Revocation of Proxies*" above shall be entitled to vote, or have their common shares voted, at the Meeting or any adjournment thereof. On any poll, each Shareholder of record holding common shares of the Company on the Record Date is entitled to one vote for each common share registered in his or her name on the list of shareholders as of the Record Date.

To the knowledge of the directors and executive officers of the Company, based on registered shareholder information, the following persons or companies beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company as of the Record Date:

<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>Percentage of Issued and Outstanding</b>
Preferred Holdings Group LLC	1,509,355	14.69%

## **EXECUTIVE COMPENSATION**

In accordance with the provisions of applicable securities legislation, the Company had no "Named Executive Officers" during the financial year ended December 31, 2023 (the "**Reporting Year**").

### **Definitions**

For the purpose of this Information Circular:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the Reporting Year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the Reporting Year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the Reporting Year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*;
- (d) each individual who would be a NEO under paragraph (c) above, but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of the Reporting Year.

"plan" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons.

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

**Director and Named Executive Officer Compensation**

**Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The following table sets out, for persons who served as NEO's and directors in the Reporting Year, certain information respecting compensation paid during the two most recently completed financial years, other than compensation securities.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position during the Reporting Year	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Michael Iverson Chairman and a Director	2023	US\$75,000	nil	nil	nil	nil	US\$75,000
	2022	US\$75,000	nil	nil	nil	nil	US\$75,000
Toby Lim Corporate Secretary and a Director	2023	nil	nil	nil	nil	nil	nil
	2022	nil	nil	nil	nil	nil	nil
Richard Kaufman Director	2023	nil	nil	nil	nil	nil	nil
	2022	nil	nil	nil	nil	nil	nil
Stephanie Hopper Former Director	2023	US\$12,000	nil	nil	nil	nil	US\$12,000
	2022	US\$24,000	nil	nil	nil	nil	US\$24,000

Notes:

- (1) Richard Kaufman has served as a director of the Company since December 14, 2023.
- (2) Stephanie Hopper served as a director of the Company from November 17, 2017 to December 14, 2023.

**Stock Options and Other Compensation Securities**

The following table sets out, for persons who served as NEO's and directors in the Reporting Year, the compensation securities granted or issued to such persons by the Company or any of its subsidiaries in the Reporting Year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

COMPENSATION SECURITIES							
Name and position	Type of compensation security <sup>(1)(2)</sup>	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Michael Iverson Chairman and a Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Toby Lim Corporate Secretary and a Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Richard Kaufman Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Stephanie Hopper Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) *On the last day of the Reporting Year, the total amount of compensation securities (and the number and type of underlying securities) held by each NEO and director of the Company is as follows:*
- *Michael Iverson: None.*
  - *Toby Lim: None.*
  - *Richard Kaufman: None.*
  - *Stephanie Hopper: 6,000 fully-vested stock options (6,000 common shares). In accordance with the terms of the July 16, 2019 incentive stock option agreement with Ms. Hopper, the options were subsequently terminated and ceased to be exercisable on February 21, 2024, being 60 days after she ceased to be a director of the Company.*
- (2) *During the Reporting Year, no compensation securities were re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified.*

### **Disposition of Compensation Securities by NEOs and Directors**

During the Reporting Year, no stock options held by the NEO's and directors of the Company were cancelled or expired and no stock options were exercised by the NEOs or the directors of the Company. As at the end of the Reporting Year, the NEOs and the directors of the Company held an aggregate of 6,000 stock options (each exercisable to acquire one common share).

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

The Company has a "rolling" stock option plan (the "**Option Plan**"), the material terms of which are as follows:

- (a) the number of common shares reserved for issue pursuant to options granted under the Option Plan shall not exceed 10% of the outstanding common shares at the time of grant;
- (b) the number of common shares reserved for issue pursuant to options granted to any one person in any 12 month period shall not exceed 5% of the outstanding common shares at the time of grant;
- (c) the number of common shares reserved for issue pursuant to options granted to any one consultant in any 12 month period shall not exceed 2% of the outstanding common shares at the time of grant;
- (d) the number of common shares reserved for issue pursuant to options granted to all persons performing investor relations activities in any 12 month period shall not exceed 2% of the outstanding common shares at the time of grant;
- (e) the exercise price of options shall not be less than the closing price of the common shares on the primary exchange or quotation system on which the common shares are listed or quoted on the day prior to the date of grant, less any discount permitted by such exchange or quotation system;
- (f) the expiry date of options shall not exceed ten years after the date of grant;
- (g) options granted to consultants performing investor relations activities shall, at a minimum, vest over a 12 months period with no more than 1/4 of such options vesting in any 3 month period;
- (h) if the holder of an option ceases to be an eligible person under the Option Plan, the option shall expire after the period stipulated by the Board at the time of grant, and in any event within a reasonable time following the date on which the holder ceases to be an eligible person under the Option Plan; and
- (i) stock options are non-assignable and non-transferable.

The Option Plan will be presented to shareholders at the Meeting for re-approval.

### **Employment, Consulting and Management Agreements**

The Company does not have any written employment, consulting or management agreements with any of the Company's current NEOs or directors. The Company has retained Vantage Law Corporation to provide legal services at industry standard rates. Mr. Toby Lim, a director of the Company, is a director, officer, and shareholder of Vantage Law Corporation.

## Oversight and Description of NEO and Director Compensation

The Board as a whole determines NEO and director compensation as needed from time to time. The Compensation Committee of the Board recommends on such compensation. Executive compensation levels are established with a view to attracting and retaining personnel critical to the Company's short and long term success, and to provide incentives and rewards for performance. Consideration is given to market standards generally and other factors which may be relevant such as competitive market conditions and an individual's particular education, training, skills and experience, the overall responsibilities, risks and time commitments of the position, and anticipated contributions and importance to the Company achieving its goals and objectives. Through its compensation practices, the Company seeks to create and unlock shareholder value through a strong and motivated executive leadership.

NEO compensation is typically comprised of a base salary, stock options, and as circumstances permit, pre-set or discretionary bonuses. During the Reporting Year, the Company did not grant any stock options. No bonuses were set or otherwise awarded in the Reporting Year.

Base salary seeks to provide a competitive and fair level of base compensation. Stock option awards seek to incentivize executives and align the executives' interests with increases in shareholder value and short and long term corporate growth and success. Stock option grants generally reflect the level of responsibility, risk and time commitment of the position, as well as past performance and anticipated future contributions. Consideration may also be given to the number and terms of options previously granted to the executive and the overall number of stock options outstanding from time to time. Bonuses seek to incentivize executives to satisfy particular corporate goals or objectives, to improve financial performance and to achieve other milestones or are awarded on a discretionary basis as a result of exemplary performance. The size and form of a bonus is typically based on the Board's perceived value of the goal or objective to be attained. Base salary and other compensation mechanisms are currently not evaluated against a formal "peer group" but are determined by the Board in reliance upon the general experience of its members.

The Board has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board does not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company. The Company does not have a policy that would prohibit a NEO or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. Management, however, is not aware of any NEO or director purchasing or holding such an instrument.

## Pension Disclosure

The Company does not provide a pension to any directors or NEOs and none are proposed at this time.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out particulars of the compensation plans under which equity securities of the Company are authorized for issuance as of the last day of the Reporting Year, being December 31, 2023.

EQUITY COMPENSATION PLAN INFORMATION			
Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A)
Equity compensation plans approved by securityholders <sup>(1)</sup>	71,500	\$5.00	956,020
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>TOTALS:</b>	<b>71,500</b>		<b>956,020</b>

Note:

(1) Represents the 10% Rolling Option Plan of the Company.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Other than "routine indebtedness" as defined in applicable securities legislation, since January 1, 2023, being the commencement of the Reporting Year, none of:

- (a) the executive officers, directors, employees and former executive officers, directors and employees of the Company or any of its subsidiaries;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associates of the foregoing persons;

is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, and which was not entirely repaid on or before the date of this Information Circular.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For purposes of the following discussion, "**Informed Person**" means (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed elsewhere in this Information Circular or in the Notes to the Company's financial statements, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

### **NI52-110 AUDIT COMMITTEE DISCLOSURE**

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 are attached as Schedule "A".

### **NI58-101 CORPORATE GOVERNANCE DISCLOSURE**

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* is attached to this Information Circular as Schedule "B".

### **PRESENTATION OF FINANCIAL STATEMENTS**

The audited financial statements of the Company for the fiscal year ended December 31, 2023, together with the Auditors' Report thereon, and the Company's Management Discussion and Analysis for said period (collectively, the "**Financial Reporting Documents**") will be presented to Shareholders at the Meeting. Copies of the Financial Reporting Documents are available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company's profile.

*National Instrument 51-102 Continuous Disclosure Obligations* sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format.

## **FIXING NUMBER AND ELECTION OF DIRECTORS**

The Company is proposing to fix the number of directors for the ensuing year at three (3). **The independent Directors RECOMMEND**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of fixing the number of directors at three.

The following table sets out certain information as at the Record Date for management's nominees for election as a director, which, other than date(s) serving as a director, has been provided by the nominees themselves. Management does not contemplate that any of its nominees will be unable to serve as a director. **The independent Directors RECOMMEND**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of the election of management's nominees herein listed.

<b>Name, Province or State and Country of Residence, and Position with the Company</b>	<b>Period(s) Serving as a Director <sup>(1)</sup></b>	<b>Present Principal Occupation, Business or Employment of each Director</b>	<b>No. of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly</b>
Michael Iverson <sup>(2)(3)</sup> BC, Canada Chairman and a Director	November 17, 2017 to present	President of Triple K Ventures Ltd., a private investment and consulting company; director and executive officer of numerous public companies since January 1998.	927,229 <sup>(4)</sup>
Toby Lim <sup>(2)(3)</sup> BC, Canada Corporate Secretary and a Director	November 17, 2017 to present	Lawyer practicing in the area of corporate and securities law since 1998.	635,000 <sup>(5)</sup>
Richard Kaufman <sup>(2)(3)</sup> California, USA Chief Science Officer and a Director	December 14, 2023 to present	Consulting scientist, researcher and product developer; Chairman of NanoAlchemie since 2015; Director of Research & Development, Product Formulator, First Fitness Nutrition since 1992.	246,004 <sup>(6)</sup>

Notes:

- (1) Each director of the Company is elected annually and holds office until the next annual general meeting and his or her successor is duly elected, or until his or her earlier resignation as a director.
- (2) Audit committee members.
- (3) Compensation committee members.
- (4) Includes common shares held in joint tenancy with right of survivorship. Of these, 677,913 common shares are held indirectly through Triple K Ventures Ltd., a company controlled by Mr. Iverson.
- (5) Of these, 625,000 common shares are held indirectly through Vantage Law Corporation, a company of which Mr. Lim is a director, officer and shareholder.
- (6) These shares are held by Neogen, Inc., a company of which Mr. Kaufman is the principal.

## **Orders, Penalties and Sanctions**

Except as disclosed below, none of the proposed nominees for director have been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) while that person was acting in that capacity, was the subject of a cease trade order 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
- (b) while that person was acting in that capacity, was subject to an event that resulted, after the director or executive officer ceased to be a director or executive 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; or
- (c) 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; or



- (d) has been subject to:
- (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000, the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
  - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Mr. Toby Lim was a director of Wasco Capital Inc. ("Wasco"), an unlisted reporting issuer with no active operations searching for a new business, when, on October 7, 2013, the Ontario Securities Commission issued a temporary cease trade order against Wasco for failure to file audited financial statements and accompanying MD&A for the fiscal year ended May 31, 2013. At the time, Wasco was faced with an acute working capital shortage and, as a consequence, was unable to complete its audit for said fiscal year. On October 18, 2013, the cease trade order was subsequently extended. As at the date hereof, Mr. Lim remains a director of Wasco, and Wasco remains without active operations, has been unable to raise capital and complete the outstanding audit, and the cease trade order remains in force.

#### **APPOINTMENT AND REMUNERATION OF AUDITOR**

Shareholders will be asked to re-approve the appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the auditors of the Company to hold office until the next annual general meeting of the Shareholders at a remuneration to be fixed by the Board of Directors. **The Board of Directors RECOMMENDS**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of such appointment and authority.

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

##### **A. RE-APPROVAL OF STOCK OPTION PLAN**

The Company currently has a stock option plan (previously defined as the "Option Plan") which reserves a number of common shares for issue pursuant to options equal to 10% of the issued and outstanding common shares. For a summary of the key provisions of the Option Plan, please see "Executive Compensation – Stock Option Plans and Other Incentive Plans", above.

At the Meeting, Shareholders will be asked to consider and re-approve the Option Plan. **The Board of Directors RECOMMENDS**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of the re-approval of the Option Plan.

##### **B. OTHER MATTERS**

As of the date of this Information Circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information relating to the Company is provided in the Company's comparative financial statements and MD&A for the financial year ended December 31, 2023. Shareholders may contact the Company to request copies of financial statements and MD&A at its Vancouver office, Suite 488 – 1090 West Georgia Street, Vancouver, BC, or the Company's registrar and transfer agent, Computershare at 510 Burrard Street, 3rd floor, Vancouver, BC, V6B 3B9.

**APPROVAL OF THE DIRECTORS**

The directors of the Company have approved the content and the sending of this Information Circular.

DATED at Vancouver, British Columbia, this 4th day of November, 2024.

**NANOSPHERE HEALTH SCIENCES INC.**

***"Michael Iverson"***

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Michael Iverson, Chairman

**SCHEDULE "A"**  
**FORM 52-110F2**  
**AUDIT COMMITTEE DISCLOSURE**

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**ITEM 1: THE AUDIT COMMITTEE'S CHARTER**

**PURPOSE**

The overall purpose of the Audit Committee (the "**Committee**") of **NanoSphere Health Sciences Inc.** (the "**Company**") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

**COMPOSITION, PROCEDURES AND ORGANIZATION**

- (1) The Committee shall consist of at least three members of the Board of Directors (the "**Board**"). At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- (2) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (3) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- (4) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- (5) The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- (6) Meetings of the Committee shall be conducted as follows:
  - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
  - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
- (7) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may

contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

#### **ROLES AND RESPONSIBILITIES**

- (1) The overall duties and responsibilities of the Committee shall be as follows:
  - (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
  - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
  - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
  - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
- (2) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
  - (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
  - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
  - (c) review the audit plan of the external auditors prior to the commencement of the audit;
  - (d) to review with the external auditors, upon completion of their audit, the contents of their report; scope and quality of the audit work performed; adequacy of the Company's financial and auditing personnel; co-operation received from the Company's personnel during the audit; internal resources used; significant transactions outside of the normal business of the Company; significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and the non-audit services provided by the external auditors;
  - (a) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
  - (b) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
- (3) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
  - (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
  - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

- (4) The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
  - (b) review and approve the financial sections of the annual report to Shareholders; the annual information form, if required; annual and interim MD&A; prospectuses; news releases discussing financial results of the Company; and other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
  - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
  - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - (e) review and report on the integrity of the Company's consolidated financial statements;
  - (f) review the minutes of any audit committee meeting of subsidiary companies;
  - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements; and
  - (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information.
- (5) The Committee shall have the authority:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
  - (b) to set and pay the compensation for any advisors employed by the Committee; and
  - (c) to communicate directly with the internal and external auditors.

## **ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE**

The current members of the Committee are Michael Iverson, Richard Kaufman and Toby Lim. Under National Instrument 52-110 (the "**Instrument**") of the Canadian Securities Administrators, members are considered "independent" if free from any direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a member's independent judgment. The Instrument also considers a member "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Richard Kaufman and Toby Lim are considered independent. Michael Iverson is not considered independent as he is currently acting in the capacity of Interim CFO. All of the members are considered financially literate.

## **ITEM 3: RELEVANT EDUCATION AND EXPERIENCE**

All of the current members of the Committee have extensive experience in financial matters, and each has a broad understanding of accounting principles used by the Company to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of its internal controls and procedures for financial reporting. In addition to each member's general business experience, the education and experience of each Committee member relevant to the performance of his responsibilities as a Committee member is as follows:

**Michael Iverson** has served as a director and executive officer of a number of public companies, including serving on the audit committees of Niogold Mining Corp. and Fortuna Silver Mines, which has provided him with experience relevant to the performance of his duties on the Committee.

**Toby Lim** holds a Bachelor of Commerce Degree with honours from the University of British Columbia, and a Bachelor of Laws Degree from Osgoode Hall Law School. He has been a lawyer practicing corporate and securities law since 1998, and during that time has served as a director or officer of several public companies, including serving on the audit committee of Niogold Mining Corp.

**ITEM 4: AUDIT COMMITTEE OVERSIGHT**

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

**ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS**

During the most recently completed financial year, the Company has not relied on the exemptions contained in Section 2.4 or Part 8 of the Instrument, in whole or in part. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of the not pre-approved non-audit services is reasonably expected to be no more than 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided, the Company did not recognize the services as non-audit services at the time of engagement, and the services are promptly brought to the attention of the audit committee and approved prior to the completion of the audit by the audit committee. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of the Instrument, in whole or in part.

**ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of the Instrument, the engagement of non-audit services is considered by the Company's Board of Directors, and where applicable by the Committee, on a case by case basis.

**ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)**

The aggregate fees charged to the Company by the external auditor in each of the last two fiscal years is as follows:

	<b>FYE 2022</b>	<b>FYE 2023</b>
Audit fees	\$ 23,000	\$ 17,500
Audit related fees	\$ 282	Nil
Tax fees	Nil	Nil
All other fees (non-tax)	\$ 153	Nil
<b>Total Fees:</b>	<b>\$ 23,435</b>	<b>\$ 17,500</b>

**ITEM 8: EXEMPTION**

In respect of the financial year ended December 31, 2023, the Company is relying on the exemption set out in section 6.1 of the Instrument with respect to the independence requirements of the audit committee and the reporting obligations.

## SCHEDULE "B"

### FORM 58-101F2 CORPORATE GOVERNANCE DISCLOSURE

#### ITEM 1. BOARD OF DIRECTORS

The Board of Directors (the "**Board**") of **NanoSphere Health Sciences Inc.** (the "**Company**") is currently comprised of Michael Iverson, Richard Kaufman and Toby Lim. The Board facilitates the exercise of independent supervision over the Company's management through frequent meetings of the Board and communication with senior management.

A director is considered "independent" if free from any direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a member's independent judgment. Richard Kaufman and Toby Lim are considered independent. Mr. Michael Iverson is not considered independent as he is currently acting in the capacity of Interim CFO.

#### ITEM 2. DIRECTORSHIPS

The directors of the Company are currently directors of the following other reporting issuers or equivalents:

Name of Director	Name of Reporting Issuer	Primary Exchange/Market
Michael Iverson	Pathfinder Ventures Inc. Prospect Ridge Resources Corp. Volcanic Gold Mines Inc.	TSX Venture Exchange Canadian Securities Exchange TSX Venture Exchange
Richard Kaufman	None	
Toby Lim	Prospect Ridge Resources Corp. Wasco Capital Corp.	Canadian Securities Exchange unlisted

#### ITEM 3. ORIENTATION AND CONTINUING EDUCATION

The Board does not currently have a formal program or procedures for the orientation of new board members or the continuing education of Board members. Inquiries are handled by the Board on a case by case basis with outside consultation, if required. The Company makes continuing education available to the Board as the need or the opportunity arises, and encourages open discussion at all meetings to foster communication and encourage critical thinking, understanding and learning.

#### ITEM 4. ETHICAL BUSINESS CONDUCT

The Board has not adopted a written code of ethics for its directors, officers, employees and consultants. Board members, however, are expected to maintain the highest standards of integrity and to lead by example.

#### ITEM 5. NOMINATION OF DIRECTORS

The Board as a whole is responsible for identifying, as needed, new candidates for the Board and recommending director nominees for the next annual meeting of the shareholders.

#### ITEM 6. COMPENSATION

The Board has appointed a compensation committee comprised of Michael Iverson, Toby Lim and Richard Kaufman (the "**Compensation Committee**") to review compensation to directors and officers, and make recommendations to the Board. The Compensation Committee relies upon the general experience of its members, and as needed may retain and otherwise consult with outside consultants to provide independent reports on compensation paid by comparable companies.

#### ITEM 7. OTHER BOARD COMMITTEES

The Board of Directors has no other committees other than the Audit Committee and the Compensation Committee.

**ITEM 8. ASSESSMENTS**

The Board of Directors as a whole assesses its performance, committee performance and the contribution of individual members on an ongoing and as needed basis. The Board monitors and discusses from time to time the adequacy of information given to directors, the effectiveness of communications between Board members and with management, and the processes of the Board and its committees. Directors are encouraged to discuss any perceived issues or weaknesses that they feel impair the effective operation of the Board.