

## CORE ONE LABS INC.

### MANAGEMENT INFORMATION CIRCULAR

#### ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON FEBRUARY 8, 2023

This management information circular (the “Circular”) and accompanying form of proxy are furnished in connection with the solicitation of proxies by management of Core One Labs Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of the holders of the common shares (“Shareholders”) of the Company, to be held at 800-1199 West Hastings Street, Vancouver, British Columbia, on Wednesday, February 8, 2023 at 10:30 a.m. (Vancouver time) and any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of meeting (the “Notice of Meeting”).

This Circular and the enclosed form of proxy will be mailed on January 11, 2023 to the registered holders of common shares of the Company (the “Common Shares”) of record at the close of business on January 3, 2023 (the “Record Date”).

The Company intends to hold the Meeting in person. A Shareholder of the Company who is unable to attend the Meeting in person and who wishes to ensure that such Shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy and deliver it in accordance with the instructions and deposit deadlines set out in the form of proxy and in the Circular. The Company encourages Shareholders to vote their shares in advance of the Meeting via mail, facsimile or online. No management presentation will be made at the Meeting.

In light of uncertainties surrounding COVID-19, if any Shareholder does wish to attend the Meeting in person, please contact Nicole Lacson by email at [nl@amalficorp.ca](mailto:nl@amalficorp.ca) in order for arrangements to be made. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means.

Except to the extent otherwise stated herein, all information set forth herein is given as at the Record Date, and all dollar amounts set forth herein unless specifically noted otherwise are stated in Canadian dollars. Information set forth herein as to shareholdings is based upon information supplied by the respective persons holding such Common Shares.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the Company’s management for use at the Meeting of the Company to be held on February 8, 2023, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

The Company will bear the cost of soliciting proxies on behalf of management. The Company will reimburse brokers, custodians, nominees and other fiduciaries for their reasonable charges and expenses incurred in forwarding this proxy material to beneficial owners of Common Shares. In addition to solicitation by mail, certain officers, directors and employees of the Company may solicit proxies by telephone or personally but will receive no compensation for so doing.

These materials are being sent to both registered and non-registered owners of Common Shares. If you are a Non-Registered Shareholder (as defined below), and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary (as defined below) holding on your behalf. By choosing to send these materials to you directly, the

Company, (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

### **Voting by Non-Registered Shareholders**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold shares in their own name.**

Only registered shareholders of the Company or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders of the Company are “non-registered” shareholders (“**Non-Registered Shareholders**”) because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the Common Shares (an Intermediary may include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS & Co.) of which an Intermediary is a participant. In accordance with applicable securities law requirements, the Company will have distributed copies of the Notice of Meeting, this Circular, the related form of proxy, supplemental mailing card, and in the case of those Shareholders who have so requested through the completion and return of the supplemental mailing card provided by the Company in its last annual mailing, a copy of the Company’s audited financial statements, including the report of the auditors thereon, and management’s discussion and analysis for the financial year ended December 31, 2021 (the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (i) be given a voting instruction form **which is not signed by an Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to an Intermediary or its service company**, will constitute voting instructions which an Intermediary must follow. Typically, the voting instruction form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the voting instruction form may consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to an Intermediary or its service company in accordance with the instructions of an Intermediary or its service company; or
- (ii) be given a form of proxy **which has already been signed by an Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder, but which is otherwise not completed by an Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. **In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete, sign, date and return the enclosed form of proxy to the Company’s Registrar and Transfer Agent**, Computershare Trust Company of Canada, Attention: Proxy Department, by mail at: 100 University Ave., 8th Floor, Toronto, Ontario M5J 2Y1, or by fax at: 1 (866) 249-7775 within North America, and outside North America at: (416) 263-9524, **no later than 10:30 a.m. (Vancouver (PST) time) on Monday, February 6, 2023, or, if the Meeting is adjourned or postponed, no later than 48 hours preceding the time of such adjourned or postponed**

**Meeting (excluding Saturdays, Sundays and statutory or civic holidays in the City of Vancouver, British Columbia).**

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Shareholder that receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the person(s) named in the form of proxy and insert the Non-Registered Shareholder's or such other person's name in the blank space provided. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

**A Non-Registered Shareholder may revoke a voting instruction form, proxy or waiver of the right to receive Meeting Materials and to vote at any time by written notice to the Intermediary, provided that an Intermediary is not required to act on a revocation of a voting instruction form, proxy or of a waiver of the right to receive Meeting Materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.**

**Manner of Voting of Proxies**

The Common Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice on the Proxy with respect to any matter to be acted upon, the shares will be voted accordingly. On any poll, the persons named in the proxy (the "**Proxyholders**") 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.

To be voted, the accompanying form of proxy must be properly completed, signed, dated and returned to the offices of the Company's Registrar and Transfer Agent, Computershare Trust Company of Canada, Attention: Proxy Department, by mail at: 100 University Ave., 8th Floor, Toronto, Ontario M5J 2Y1, or by fax at: 1 (866) 249-7775 within North America, and outside North America at: (416) 263-9524, no later than 10:30 a.m. (Vancouver (PST) time) on **Monday, February 6, 2023**, or, if the Meeting is adjourned or postponed, no later than 48 hours preceding the time of such adjourned or postponed Meeting (excluding Saturdays, Sundays and statutory or civic holidays in the City of Vancouver, British Columbia). Late proxies may be accepted or rejected by the Chair of the Meeting at his discretion, and the Chair is under no obligation to accept or reject any particular late proxy. **On any ballot that may be called for at the Meeting, the Common Shares represented by such form of proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder appearing on such form of proxy, and, if a choice is specified therein in respect of any matter to be acted upon, will be voted in accordance with the specification made. In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each proxy, properly executed, in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.**

**The accompanying form of proxy confers discretionary authority upon the person acting as Proxyholder thereunder with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting.** As at the date hereof, management knows of no such amendments, variations or any other matters, which may properly come before the Meeting.

**Appointment of Proxies**

**Each Shareholder has the right to appoint a person other than the persons named in the accompanying form of proxy, who need not be a shareholder, to attend and act on his, her or its behalf at the Meeting.** Any Shareholder wishing to exercise such right may do so by striking out the names

of the management nominees and inserting in the blank space provided in the accompanying form of proxy the name of the person whom such Shareholder wishes to appoint as proxy. A Shareholder wishing to be represented by proxy at the Meeting, or any adjournment or postponement thereof, must in all cases deposit the properly completed, signed and dated proxy with the Company's registrar and transfer agent at the address or facsimile number and by the time specified under the heading "Manner Proxies Will be Voted", above.

### **Revocability of Proxy**

**A Shareholder giving a proxy has the power to revoke it.** Such revocation may be effected by written instrument revoking such proxy executed by the Shareholder or by his, her or its attorney authorized in writing or where the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and deposited at the office of the Company's Registrar and Transfer Agent, Computershare Trust Company of Canada, at any time up to and including the last business day preceding the date of the Meeting or any adjournment or postponement thereof, or with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof. If such written instrument is deposited with the Chair of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

### **Voting Securities and Principal Holders of Voting Securities**

The Company is authorized to issue an unlimited number of Common Shares without par value. As at the Record Date, a total of 36,985,605 Common Shares were issued and outstanding. Each Common Share carries the right to one vote at the Meeting. The quorum required for the Meeting is at least one person holding or representing by proxy not less than 5% of the outstanding Common Shares entitled to vote at the Meeting.

To the best of the directors' and officers' knowledge, no person beneficially owns or exercises control or direction, directly or indirectly, over voting securities carrying more than 10% of the voting rights attached to the voting securities of the Company.

Only Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by proxy at the Meeting or at any adjournment or postponement thereof (subject to, in the case of voting by proxy to the timely deposit of a properly completed, signed, and dated proxy with Computershare Trust Company of Canada, as specified herein and in the Notice of Meeting). **In the absence of instructions to the contrary, the proxyholders intend to vote the Common Shares represented by each proxy, properly executed, in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.**

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

Except as otherwise set out herein, to the best of management's knowledge, none of the directors ("**Directors**") or executive officers ("**Officers**") of the Company, or any person who has held such a position since the beginning of the Company's last financial year, nor any proposed nominee for election as a Director of the Company, nor 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 matter to be acted upon at the Meeting.

### **Notice and Access**

The Company is not relying on the notice-and-access delivery procedures outlined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* to distribute copies of this information circular, proxy or voter information form.

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

### **Audited Financial Statements**

The audited financial statements of the Company for the financial years ended December 31, 2021 and December 31, 2020, together with the reports of the auditors thereon (collectively, the “**Financial Statements**”) will be presented before the Meeting, but no vote thereon is required. The Financial Statements and related management’s discussion and analysis are available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Fixing the Number of Directors**

The board of directors of the Company (the “**Board**”) presently consists of four (4) directors and management proposes, and the persons named in the accompanying form of proxy intend to vote in favour of fixing the number of directors for the ensuing year at four (4).

Unless the Shareholder has specified in the proxy that his, her or its Common Shares are to be withheld from voting in the appointment of the auditor, the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in favour of fixing the number of directors of the Company at four (4) for the ensuing year.

### **Election of Directors**

Four (4) Directors are to be elected at the Meeting to serve until the next annual meeting of shareholders or until their respective successors are duly appointed. All of the following persons whose names are set out below have been nominated by the Board for election as Directors at the Meeting. The term of office of all present Directors of the Company expires when the new Directors have been elected at the Meeting.

Unless a Shareholder has specified in the proxy that his, her or its Common Shares are to be withheld from voting in the election of Directors, the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in favour of electing as Directors the nominees named below, provided that if any one or more of such nominees should become unavailable for election for any reason, the persons named in the accompanying form of proxy, unless instructed to withhold from voting, will vote the Common Shares represented thereby in favour of the election of the remaining nominees as Directors and such other substitute nominee(s) as the acting Chair of the Board, may designate. The Company has been informed by each nominee that they are willing to stand for election and to serve as a Director.

### ***Information Concerning Nominees Submitted by Management***

The following table sets out the names of the persons proposed to be nominated by management for election as a Director, the province or state and country in which they are ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which each has been a Director of the Company, the respective principal occupations or employment during the past five years if such nominee is not presently an elected Director and the number of Common Shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular.

Name, Province and Municipality of Residence <sup>(1)</sup>	Position Held with the Company	Principal Occupation <sup>(1)</sup>	No. of Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
Joel Shacker <sup>(2)</sup> Vancouver, BC, Canada	Director since April 20, 2020	CEO and a director of Core One Labs Inc. since April 2020, and as President and director of Thoughtful Bands Inc since April 2019. Mr. Shacker was a former Associate at Stadnyk and Partners from 2018 to 2019 and a former director and consultant of Weekend Unlimited Inc. from 2018 to 2019.	Nil
Patrick Morris <sup>(2)</sup> Vancouver, BC, Canada	Director since January 27, 2021	CEO of Clear Sky Lithium Corp. Former CEO of Primary Energy Metals Inc. from 2017 to 2019, and a corporate consultant that has served as a director and officer of several publicly listed companies over the past five years.	3,125
Robert Hancock <sup>(2)</sup> Vancouver, BC, Canada	Director since January 6, 2021	Executive Chairman of the Core One Labs Inc. since January 6, 2021. UBC Killam Professor of Microbiology & Immunology. CEO of Asep, Sepset, ABT and Vocan Biotechnologies.	63,260 <sup>(3)</sup>
Geoff Balderson Vancouver, BC, Canada	Director since July 7, 2021	Chief Financial Officer of the Company since August 19, 2020. President of Harmony Corporate Services Ltd. since 2015 and serves as an officer and/or director for several publicly listed companies.	Nil

**Notes:**

- (1) The information as to the province and country of residence, principal occupation and Common Shares beneficially owned or over which a Director exercises control or direction, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective Directors individually as of the Record Date of this Circular.
- (2) Member of the Audit Committee.
- (3) 63,260 Common Shares held indirectly through REHW Consulting Inc.; an entity controlled by Dr. Hancock.

The Company does not currently have an Executive Committee of its Board of Directors. Pursuant to National Instrument 52-110 – *Audit Committees* (“NI 52-110”), the Company is required to have an audit committee of its Board of Directors (the “**Audit Committee**”). As at the date of this Circular, the members of the Audit Committee are Patrick Morris, Robert Hancock and Joel Shacker.

## Director Biographies

### ***Joel Shacker***

Mr. Shacker holds an Honours in Business Administration (HBA) from Ivey Business School. For close to a decade, Mr. Shacker has held senior executive management and directorships with a number of private and publicly traded companies, where he has been instrumental in advising and leading companies through major acquisitions and mergers. Mr. Shacker is currently the Chief Executive Officer (CEO) of Core One Labs. Mr. Shacker is also the former CEO of Balsam Technologies, as well as a current director of Bettermoo(d) Food Corporation, American Future Fuel Corporation, Grounded People Apparel Inc., and Gold Line Resources Limited.

### ***Patrick Morris***

Mr. Morris is an entrepreneur and capital markets executive with 20 years of experience raising funds for microcap companies in a number of industries including pharmaceutical cannabis, resource exploration, blockchain technologies, finance and business related to the future of food. Since its inception in late 2019, Mr. Morris currently serves as Chief Executive Officer (CEO) of Clear Sky Lithium Corp (CSE: POWR) and has served as CEO and Director of Eat Beyond Global Holdings Inc (CSE:EATS), Canada's first publicly traded investment issuer specifically focussed on investing in the future of food. Mr. Morris also co-created and co-produced Canada's first nationally syndicated radio show about growth stock opportunities which was broadcast on fourteen of the top-rated news talk stations across Canada.

### ***Robert Hancock***

Dr. Hancock is UBC Killam Professor of Microbiology & Immunology ([https://en.wikipedia.org/wiki/Robert\\_E.\\_W.\\_Hancock](https://en.wikipedia.org/wiki/Robert_E._W._Hancock)). He was a co-founder of Migenix, Inimex Pharmaceuticals, ABT Innovations, Sepset Biosciences, Asep Medical and the Centre for Drug Research and Development/Ad Mare. He is Board Chair of Asep Medical and Core One Labs and CEO of Asep, Sepset, ABT and Vocan Biotechnologies. His academic research interests include small cationic peptides as novel antimicrobials and modulators of innate immunity, the development of novel treatments for antibiotic resistant infections, the systems biology of innate immunity, inflammatory diseases, sepsis, and *Pseudomonas aeruginosa*, and antibiotic uptake and resistance (<http://cmdr.ubc.ca/bobh/>). He has published more than 820 papers and reviews, has 86 patents awarded, and is a Clarivate highly cited author in Microbiology with more than 130,000 citations and an h-index of 181. Recently he was ranked in the world's 250 most highly cited researchers (PLoS Biol 18(10):e3000918, 2020). He has won several awards including the ICAAC Aventis Antimicrobial Research Award, the leading award for research on antimicrobials, and Canada's three top prizes for Health Research, and is an Officer of the Order of Canada.

### ***Geoff Balderson***

Mr. Balderson has over 20 years of capital market experience. Mr. Balderson is president of Harmony Corporate Services Ltd. and leads a team that provides bookkeeping, accounting, filing and corporate secretarial services to publicly listed companies. Mr. Balderson is an officer and director of other TSXV-listed companies. Mr. Balderson is a former Investment Advisor with two Canadian securities dealers, and a graduate of the University of British Columbia.

## **Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions**

For purposes of the disclosure in this section, an "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

To the best of knowledge of the Company except as noted below, none of the proposed Directors, including any personal holding company of a proposed Director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to an order that was issued while the proposed Director was acting in the capacity as a director, chief executive officer or chief financial officer of the company or
  - (ii) was subject to an order that was issued after the proposed Director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) 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;
- (c) has, within the 10 years before the date of this Circular, 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;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed Director, or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed Director.

Patrick Morris was a director of Binovi Technologies Corp. ("**Binovi**") (formerly, Eyecarrot Innovations Corp.) from April 8, 2020 to March 29, 2022, a company publicly traded on the Toronto venture exchange. A management cease trade order was issued to Binovi on August 14, 2020 for failure to file its annual financial statements in the required time. Binovi's annual financial statements were subsequently filed and the BCSC issued a revocation order on September 14, 2020. A management cease trade order was issued to Binovi on June 29, 2021, for failure to file its annual financial statements in the required time. Binovi's annual financial statements were subsequently filed and the BCSC issued a revocation order on July 28, 2021. A management cease trade order was issued to Binovi on September 15, 2020, for failure to file its interim financial statements in the required time. Binovi's interim financial statements were subsequently filed and the BCSC issued a revocation order on September 29, 2020.

Mr. Morris was the CEO and a director of Victory Mountain Ventures Ltd. ("**Victory**") from February 18, 2014 to March 27, 2015. Victory was previously a publicly traded company on the TSX Venture Exchange. A cease trade order was issued by the BCSC to Victory on May 8, 2015 and by the Alberta Securities Commission on August 7, 2015 for failure to file its financial statements and MD&A in the required time. The common shares of Victory were delisted from the NEX board of the TSX Venture Exchange on May 19, 2016, and the cease trade orders remain in place.



Geoff Balderson, a director of the Company, was (from August 2014 to May 2017) the President and CEO and was (from July 2007 to present) a director of Argentum Silver Corp. ("**Argentum**"), a company publicly trading on the TSXV. A management cease trade order was issued to Argentum on November 2, 2015 for failure to file its annual financial statements in the required time. Argentum's annual financial statements were subsequently filed and the BCSC issued a revocation order on December 16, 2015. In addition, a cease trade order was issued to Argentum on November 3, 2016 for failure to file its annual financial statements in the required time. Argentum's annual financial statements were subsequently filed and the BCSC issued a revocation order on December 5, 2016.

Mr. Balderson is CFO and Secretary of Core One Labs Inc. ("**Core**"), Joel Shacker, a director of the Company, is the CEO of Core and Patrick Morris, a director of the Company, is a director of Core. Core is a company publicly trading on the CSE. A management cease trade order was issued to Core on June 16, 2020 for failure to file its financial statements in the required time. On July 15, 2020 a cease trade order was issued to Core for continued failure to file its financial statements in the required time. Core's financial statements were subsequently filed and the BCSC issued a revocation order on August 26, 2020 for the June 16, 2020 management cease trade order and the July 15, 2020 cease trade order. A further management cease trade order was issued to Core on May 3, 2021 for failure to file its annual financial statements in the required time. Core's annual financial statements were subsequently filed and the BCSC issued a revocation order on June 29, 2021. A further management cease trade order was issued to Core on May 3, 2022 for failure to file its financial statements in the required time. Core's annual financial statements were subsequently filed and the BCSC issued a revocation order on July 11, 2022.

Mr. Balderson is CFO and Corporate Secretary of Thoughtful Brands Inc. ("**Thoughtful**"), and Joel Shacker is the President and a director of Thoughtful. Thoughtful was previously a publicly traded company on the CSE. A management cease trade order was issued to Thoughtful on May 4, 2021 and a cease trade order was issued on July 8, 2021. The common shares of Thoughtful were delisted from the CSE on July 15, 2022 and the cease trade orders remain in place.

Mr. Balderson is CFO of Vinergy Capital Inc. ("**Vinergy**"), a company publicly trading on the CSE. A management cease trade order was issued to Vinergy on December 30, 2021 for failure to file its annual financial statements in the required time. Vinergy's annual financial statements were subsequently filed and the BCSC issued a revocation order on August 3, 2021.

Mr. Balderson is CFO and director of Lida Resources Inc. ("**Lida**"), a company publicly trading on the CSE. A management cease trade order was issued to Lida on December 30, 2021 for failure to file its annual financial statements in the required time. Lida's annual financial statements were subsequently filed and the BCSC issued a revocation order on March 4, 2022.

Mr. Balderson is CFO and Secretary of New Wave Holdings Inc. ("**New Wave**"), a company publicly trading on the CSE. A management cease trade order was issued to New Wave on July 30, 2021 and a cease trade order was issued on October 7, 2021. New Wave's annual financial statements were subsequently filed and the BCSC issued a revocation order on October 29, 2021.

Mr. Balderson is CFO of Lords & Company Worldwide Holdings Inc. ("**Lords**"), a company publicly trading on the CSE. A management cease trade order was issued to Lords on March 31, 2022 for failure to file its annual financial statements in the required time. Lords' annual financial statements were subsequently filed and the BCSC issued a revocation order on May 10, 2022.

Mr. Balderson was CFO, Secretary, President, and a Director of Goldeneye Resources Corp. ("**Goldeneye**") a company publicly trading on the TSXV. A cease trade order was issued to Goldeneye on September 2, 2022 for failure to file its annual financial statements in the required time. Mr. Balderson resigned as an officer and a director of Goldeneye on December 20, 2022.

### **Appointment of Auditor**

The Board proposes to nominate BF Borgers CPA PC, for re-appointment as the auditor of the Company to hold such position until the next annual meeting of Shareholders.

Unless the Shareholder has specified in the proxy that his, her or its Common Shares are to be withheld from voting in the appointment of the auditor, the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in favour of appointing BF Borgers CPA PC as auditor of the Company and authorizing the directors to fix their remuneration.

BF Borgers replaces Dale Matheson Carr-Hilton Labonte LLP ("**DMCL**" or the "**Former Auditor**") as the Company's auditor. The change in auditor has been approved by the Company's Audit Committee and Board of Directors and a copy of the Notice of Change of Auditor package is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Ratification of the Company's Rolling Stock Option Plan ("Option Plan") and Restricted Share Unit Plan ("RSU Plan").**

On September 21, 2021, the Board approved a 10% rolling RSU Plan to grant restricted share units ("**RSUs**") and to re-approve the 10% rolling Option Plan to grant incentive stock options to directors, officers, key employees, and consultants of the Company, (as defined below) (together, the "**Plans**"). The Plans were approved by the Shareholders of the Company at the last annual general meeting and special meeting of shareholders of the Company held on October 28, 2021.

### **Material Terms of the Plans**

The Plans are a "rolling" equity incentive plan pursuant to which the maximum number of shares reserved for issuance under the Plans, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of shares, shall not result in the number of shares reserved for issuance pursuant to awards under the Plans ("**Awards**") exceeding 20% of the issued and outstanding shares of the Company as at the date of grant of any grant. Furthermore, the aggregate number of Common Shares issued or issuable to persons providing "investor relations activities" (as defined in CSE policies) as compensation within a 12-month period, may not exceed 2% of the total number of Common Shares then outstanding, or such other percentage as permitted by the policies of the CSE. Pursuant to the terms of the Plans, in addition to the ability to award options ("**Options**") to acquire shares of the Company to Participants (as defined below), the Company has the availability to award restricted share units ("**RSUs**"). A copy of the Company's Option Plan and RSU plan are available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The purpose of the Plans is to promote the interests of the Company and its shareholders by aiding the Company in attracting and retaining directors, officers, employees and consultants capable of assuring the future success of the Company, to offer such persons incentives to put forth maximum efforts for the success of the Company's business and to compensate such persons through various stock and cash-based arrangements and provide them with opportunities for stock ownership in the Company, thereby aligning the interests of such persons with the Company's shareholders.

The Plans provides that:

1. All directors, officers, employees and consultants ("**Participants**") are eligible to participate in the Plans. Eligibility to participate does not confer any employee or director any right to receive any grant of an Award pursuant to the Plans. The extent to which any employee or director is entitled

to receive a grant of an Award pursuant to the Plans will be determined in the sole and absolute discretion of the Board.

2. Awards of Options and RSUs, may be made under the Plans. All Awards are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined in the sole and absolute discretion of the Board, subject to such limitations provided in the Plans, and will generally be evidenced by an award agreement. In addition, subject to the limitations of the Plans and in accordance with applicable law, the Board may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards (other than Options), and waive any condition imposed with respect to Awards or Shares issued pursuant to Awards.
3. No Awards granted under the Plans or any right thereunder or in respect thereof shall be transferable or assignable (other than upon the death of the Participant).
4. The maximum number of Common Shares issuable under the Plans shall not exceed 20% of the number of common shares of the Company issued and outstanding as of each award date, inclusive of all common shares reserved for issuance pursuant to previously granted Awards.
5. Awards vest as the board of directors of the Company may determine.
6. The exercise price of the Options granted under the Option Plan will be determined by the Board; but will not be less than the greater of the closing market price of the Company's common shares on the CSE on (a) the trading day prior to the date of grant of the applicable Award; and (b) the date of grant of the applicable Award.
7. The term of Options shall be five years from the date such Option is granted, or such greater or lesser duration as the Board may determine at the date of grant.

### ***Shareholder Re-Approval of the Plans***

At the Meeting, Shareholders will be asked to re-approve the following ordinary resolution (the "**Plans Resolution**"), which must be approved by at least a majority of the votes cast by shareholders represented in person or by proxy at the Meeting who vote in respect of the Plans Resolution:

"RESOLVED, as an ordinary resolution of the shareholders of the Company that:

1. the Company's Plans as set forth in the Company's Information Circular dated January 3, 2023 be and is hereby ratified, confirmed, and approved;
2. the board of directors of the Company be authorized in its absolute discretion to administer the Plans and amend or modify the Plans to satisfy the requirements or requests of any regulatory authorities, including the Canadian Securities Exchange (the "CSE"), in accordance with its terms and conditions and with the policies of the CSE, without requiring further approval of the shareholders of the Company;
3. the Company is authorized to reserve and issue Common Shares in the share capital of the Company for issuance upon vesting of the restricted share units and stock options granted pursuant to the Plans;
4. any one director or officer of the Company be and is hereby authorized to make any and all additions, deletions and modifications to the Plans as may be necessary or advisable to give effect to this ordinary resolution or as may be required by applicable regulatory authorities;

5. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plans required by the CSE or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plans; and
6. notwithstanding approval of the shareholders of the Company as herein provided, the board of directors may, in its sole discretion, revoke this resolution before it is acted upon without further approval of the shareholders of the Company.”

The Board considers that the ability to grant incentives is an important component of its compensation strategy and is necessary to enable the Company to attract and retain qualified directors, officers, employees, and consultants. **The Board therefore recommends that Shareholders vote “For” the resolution re-approving the Plans.** Unless otherwise instructed, the persons named in the enclosed form of Proxy will vote “IN FAVOUR” of the above resolution.

### DIRECTOR AND EXECUTIVE OFFICER COMPENSATION

The following information regarding executive compensation is presented in accordance with *National Instrument Form 51-102F6V – Statement of Executive Compensation (“NI 51-102”)* and sets forth compensation for each of the following persons (the “Named Executive Officers” or “NEOs”) and Directors of the Company:

- (a) the Company’s Chief Executive Officer (“CEO”);
- (b) the Company’s Chief Financial Officer (“CFO”);
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of NI 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

#### Director and Named Executive Officer Compensation (excluding Compensation Securities)

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each current and former director and NEO, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a Director of the Company for services provided and for services to be provided, directly or indirectly, to the Company for the years ended December 31, 2020 and 2021.

Name and Position	Year <sup>(1)</sup>	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees <sup>(2)</sup> (\$)	Value of Perquisites (\$)	Value of all other Compensation <sup>(8)</sup> (\$) <sup>(8)</sup>	Total Compensation <sup>(8)</sup> (\$) <sup>(8)</sup>
Joel Shacker <sup>(1)</sup>	2021	\$120,000	Nil	N/A	N/A	\$122,751	\$242,751

Name and Position	Year <sup>(1)</sup>	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees <sup>(2)</sup> (\$)	Value of Perquisites (\$)	Value of all other Compensation <sup>(8)</sup> (\$)	Total Compensation <sup>(8)</sup> (\$)
CEO and Director	2020	\$60,000	Nil	N/A	N/A	Nil	\$60,000
Geoff Balderson <sup>(2)</sup> CFO, Corporate Secretary and Director	2021	Nil	Nil	N/A	N/A	\$40,917	\$40,917
	2020	Nil	Nil	N/A	N/A	Nil	Nil
Patrick Morris <sup>(3)</sup> Director	2021	Nil	Nil	N/A	N/A	Nil	Nil
	2020	Nil	Nil	N/A	N/A	Nil	Nil
Robert Hancock <sup>(4)</sup> Executive Chairman and Director	2021	Nil	Nil	N/A	N/A	Nil	Nil
	2020	Nil	Nil	N/A	N/A	Nil	Nil
Ryan Hoggan <sup>(5)</sup> Former Director	2021	Nil	Nil	N/A	N/A	\$40,917	\$40,917
	2020	Nil	Nil	N/A	N/A	Nil	Nil
Casey Fenwick <sup>(6)</sup> Former President	2021	Nil	Nil	N/A	N/A	Nil	Nil
	2020	Nil	Nil	N/A	N/A	Nil	Nil
John Sanderson <sup>(7)</sup> Former CTO and Former Director	2021	Nil	Nil	N/A	N/A	\$43,703	\$43,703
	2020	\$60,000	Nil	N/A	N/A	Nil	\$60,000

## Notes:

- Mr. Shacker was appointed as a Director of the Company on May 29, 2020 and as CEO of the Company on July 3, 2020. Mr. Shacker, through 1156724 BC Ltd., received all compensation for his work as an NEO of the Company and not as a director.
- Mr. Balderson was appointed Chief Financial Officer and Corporate Secretary of the Company on August 19, 2020 and appointed as a Director of the Company on July 7, 2021.
- Mr. Morris was appointed as a Director of the Company on January 21, 2020.
- Dr. Hancock was appointed as a Director of the Company on January 6, 2021.
- Mr. Hoggan was appointed as a Director of the Company on July 3, 2020 and resigned on August 9, 2022.
- Mr. Fenwick served as the President of the Company from February 4, 2019 to January 15, 2021.
- Dr. Sanderson served as the Chief Science Officer of the Company from August 26, 2016 to July 7, 2021.
- This amount includes Options-based awards.

### Compensation Securities

The following table discloses all compensation securities granted or issued to each NEO or director by the Company or its subsidiaries in the year ended December 31, 2021, for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries.

Name and Position	Type of Compensation Security	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
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Joel Shacker, CEO and Director	Stock Options	18,750	January 15, 2021	\$8.40	\$1.05	\$0.35	January 15, 2024
Geoff Balderson, CFO, Corporate Secretary and Director	Stock Options	6,250	January 15, 2021	\$8.40	\$1.05	\$0.35	January 15, 2024
Robert Hancock Executive Chairman and Director	Stock Options	187,500	January 15, 2021	\$8.40	\$1.05	\$0.35	January 15, 2024
Parick Morris Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Ryan Hoggan, Former Director	Stock Options	6,250	January 15, 2021	\$8.40	\$1.05	\$0.35	January 15, 2024
Casey Fenwick Former President	N/A	Nil	N/A	N/A	N/A	N/A	N/A
John Sanderson Former CTO and Former Director	Stock Options	6,250	January 15, 2021	\$8.40	\$1.05	\$0.35	January 15, 2024

### Exercise of Compensation Securities

No compensation securities were exercised by Directors and Named Executive Officers of the Company during the financial year ended December 31, 2021. Subsequent to the financial year ended December 31, 2021, no exercises of compensation securities were made by Directors or Named Executive Officers of the Company.

### Option Plan and RSU Plan

The rolling stock option plan (the “**Option Plan**”) and the rolling restricted share unit plan (the “**RSU Plan**”) were approved by the shareholders on October 28, 2021, to grant RSUs and Options to directors, officers, key employees, and consultants of the Company. Pursuant to the Plans, the Company may reserve up to a maximum of 20% of the issued and outstanding Common Shares at the time of grant pursuant to awards granted under the Plans.

The Company’s directors, officers, employees, and certain consultants are entitled to participate in the Plans. The Plans are designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Plans align the interests of the NEO and the Board with shareholders by linking a component of executive compensation to the longer-term performance of the Common Shares.

Options and RSUs are granted by the Board. In monitoring or adjusting the option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous Option grants and the objectives set for the NEOs and the Board. The scale of Options and RSUs are generally commensurate to the appropriate level of base compensation for each level of responsibility.

“Consultant”, “Director”, “Disinterested Shareholder Approval”, “Employee”, “Investor Relations Activities”, “Management Company Employee”, “Material Information” and “Person” all have the same definition as set out in the Plans.

As at the date of this Information Circular, there were 3,318,687 Options outstanding and 3,515,000 RSUs outstanding. Based on the Company having 36,985,605 Common Shares outstanding (as of the Record Date), 379,874 Options and 183,561 RSUs could be granted under the Plans.

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

The Board recognizes the value of the Named Executive Officers and the importance of their consistent focus in the event of a possible change of control. It was determined by the Board that it is in the best interests of the Company to ensure that the consistency and stability of the Named Executive Officers is maintained during any change of control. As of the date hereof, other than as disclosed below, the Company does not have any employment, consulting and/or management agreements or arrangements with any Named Executive Officers of the Company, nor any arrangements with respect to termination or a change of control of the Company.

The Company engaged 1156724 BC Ltd. to provide Chief Executive Officer services as of June 1, 2020. The services are provided by Joel Shacker. The Company does not have any other agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were (a) performed by a director or NEO, or (b) performed by any other party but are services typically provided by a director or a named executive officer.

The Company entered into a corporate administration and financial advisory agreement (the “**Advisory Agreement**”) with Amalfi Corporate Services Ltd., (formerly Winchester Advisory Ltd.), on November 1, 2020, to provide certain corporate, accounting, and administrative services to the Company in accordance with the terms of the Advisory Agreement for a monthly fee of \$10,000 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. The Advisory Agreement is for an initial term of twelve (12) months and shall continue thereafter on a month-to-month basis, subject to termination on thirty (30) days’ written notice.

### **Oversight and Description of Director and Executive Officer Compensation**

#### *Compensation of Directors*

The Board is responsible for developing the compensation strategy of the Company and evaluating executive compensation levels on an annual basis to ensure that the Company’s executive compensation levels are within the range of comparable companies. Among the guiding principles in setting executive compensation is to attract, retain, and motivate high-performing executives through competitive compensation practices.

The Board recommends the amount of cash compensation that will be paid to the Directors of the Company for their services as Directors. Directors who are also members of management do not receive cash compensation for their role as Directors of the Company. Both non-management Directors and management Directors may, however, receive RSUs and Options for their role as Directors and/or executive Officers with the Company, in such amounts and upon such terms as may be approved by the Board from time to time. The process for determining RSU and Option awards for Directors of the Company is based on discussions by the members of the Board and the executive team. Option and RSU grants are typically made at the beginning of each fiscal year. The number of Options and RSUs granted will depend on the performance of each Director. Previous grants of Options also provide a basic guideline for the Board in determining new Option grants.

Additionally, non-executive Directors are entitled to be reimbursed for expenses incurred by them in their capacity as Directors.

During the fiscal year ended December 31, 2021, the Directors and Named Executive Officers were granted an aggregate total of 218,750 Options. Subsequent to the financial year ended December 31, 2021, the Directors and Named Executive Officers were granted an aggregate total of 325,000 Options and 255,000 RSUs.

#### *Compensation of Named Executive Officers*

Compensation of the Company's Named Executive Officers is reviewed annually and determined by the Board. The level of compensation is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

#### *Base Salaries*

Base salaries for Named Executive Officers of the Company are reviewed annually by the Board, considering both corporate and individual performance objectives based on individual levels of responsibility. Rather than strictly applying formulas and weightings to forward-looking objectives, which may lead to unintended consequences for compensation purposes, the Board exercises its discretion and uses sound judgment in making compensation determinations. For this reason, the salaries of the Named Executive Officers of the Company are not determined based on specific benchmarks or a specific formula. Instead, the Board's assessment is based on a number of qualitative and quantitative factors, including execution of on-going projects and transactions, operational performance and progress on key growth initiatives. Additionally, in establishing the levels of base salary and the award of stock Options, the Board takes into consideration an executive's responsibilities, length of service and levels of compensation provided by industry competitors.

#### *Stock Option and RSU Awards*

The Company has adopted the Option Plan and RSU Plan that provides for the Board to grant, from time to time, to its Directors, Officers, employees and certain consultants, non-transferable Options to purchase Common Shares and grant RSUs, provided that the number of Common Shares reserved for issuance under the Plans does not exceed 20% of the Common Shares issued and outstanding at any given time. The process for determining Option and RSU awards for Named Executive Officers of the Company is based on discussions by the members of the Board.

For details of the Plans, see "*Particulars of Matters to be Acted Upon – Re-Approval of the Plans*" above.

#### **Pension Plan Benefits**

No pension, retirement, or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

#### **OTHER MATTERS**

As of the date of this 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.



## CORPORATE GOVERNANCE DISCLOSURE

National Policy 58-201, *Corporate Governance Guidelines* (the “**Guidelines**”) and National Instrument 58-101, *Disclosure of Corporate Governance Practices* (the “**Disclosure Rule**”) are in place in order to provide greater transparency for the marketplace regarding an issuer’s corporate governance practices. Set out below is a description of the Company’s approach to corporate governance practices, which comply with the applicable Guidelines and Disclosure Rule.

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board also acts in accordance with:

- (a) the *Business Corporations Act* (British Columbia);
- (b) the Company’s articles of incorporation; and
- (c) other applicable laws and Issuer policies.

### Board of Directors

The Board approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results. The Board is actively involved in the Company’s strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management.

The Board approves all the Company’s major communications, including annual and quarterly reports, financing documents and press releases. The Board, through its Audit Committee, also examines the effectiveness of the Company’s internal control processes and management information systems. The Board consults with the internal auditor and management of the Company to ensure the integrity of these systems.

The Board is responsible for determining whether or not each Director is an independent Director. Directors who also act as Officers of the Company are not considered independent. Directors who do not also act as Officers of the Company, do not work in the day-to-day operations of the Company, are not party to any material contracts with the Company, or receive any fees from the Company except as disclosed herein, are considered independent.

The Board maintains the exercise of independent supervision over management by encouraging open and candid discussion from its independent Directors.

### Other Public Company Directorships

Directors of the Company who are directors of other reporting issuers are:

Name of director	Other reporting issuer
Dr. Robert Hancock	None
Mr. Joel Shacker	Thoughtful Brands Inc. Gold Line Resources Ltd. Bettermoo(d) Food Corporation American Future Fuel Corporation Grounded People Apparel Inc.

<b>Name of director</b>	<b>Other reporting issuer</b>
Mr. Patrick Morris	Blender Bites Limited American Future Fuel Corporation Grounded People Apparel Inc. Bettermoo(d) Food Corporation
Mr. Geoff Balderson	Brascan Gold Inc. Alerio Gold Corp. Gambier Gold Corp. Four Nines Gold Inc. Lida Resources Inc. New Wave Holdings Corp. Nexco Resources Inc. Hawkmoon Resources Corp. Plant Veda Foods Ltd. Way of Will Inc. Shooting Star Acquisition Corp. Spectre Capital Corp. Bettermoo(d) Food Corporation Grounded People Apparel Inc.

### **Orientation and Continuing Education of Board Members**

New members of the Board receive an orientation package which includes reports on operations and results, a policy manual, and public disclosure filings by the Company. Meetings of the Board are sometimes held at the Company's facilities or by conference call and are combined with presentations by the Company's management to give the Directors additional insight into the Company's business. In addition, the CEO sends reports to the Board relating to corporate activities, and management of the Company makes itself available throughout the year for discussion with all members of the Board.

The Company expects its Directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board.

### **Ethical Business Conduct**

The Board has not adopted a formal code of ethics. The Board has found that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict-of-interest provisions under corporate legislation which restrict an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient, at the current stage of the Company, to ensure that the Board operates independently of management and in the best interests of the Company.

Although the Company has not adopted a formal code of ethics, the Company promotes an ethical business culture. Directors and Officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity.

### **Nomination of Directors**

The size of the Board is reviewed annually when the Board considers the number of Directors to recommend for election at the annual meeting of shareholders. The Board takes into account the number

of Directors required to effectively carry out the duties of the Board, and to maintain a diversity of views and experience.

In the event it is determined a new Board member would add to the composition of the existing Board, or if a current Board member has offered his resignation, the Board will then designate a nominating committee (the “**Nominating Committee**”) from among its remaining Board members to identify the mix of qualifications, appropriate skills, characteristics and experiences that should be represented by any new Board member(s). The Nominating Committee will be delegated by the Board with the authority to search for qualified candidates with input from management and other Board members; engage a search firm to assist in identifying potential candidates; and recommend a nominee for full Board endorsement of the selected candidate based on the Nominating Committee’s judgement as to which candidate will best serve the interests of the Company’s shareholders.

### **Compensation of Directors and Executive Officers**

The Board administers the Company’s compensation program for Directors and executive Officers, which includes base salaries and Option awards. In assisting to attract, retain, and motivate high-performing executives through competitive compensation practices, the Board strives to contribute to an increase in shareholder value for the Company’s Shareholders. See “*Director and Executive Officer Compensation – Oversight and Description of Director and Executive Officer Compensation*”, above, for additional details.

### **Assessment of Directors, the Board and Board Committees**

The Board monitors the adequacy of information given to Directors, the communications between the Board and management and the strategic direction and processes of the Board and its Audit Committee in order to satisfy itself that the Board, its Audit Committee, and its individual Directors are performing effectively.

## **AUDIT COMMITTEE DISCLOSURE**

### **Audit Committee Mandate**

NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The Audit Committee is a committee of the Board established for the purpose of overseeing the accounting and financial reporting process of the Company and annual external audits of the financial statements. The Audit Committee has set out its responsibilities and composition requirements in fulfilling its oversight in relation to the Company’s internal accounting standards and practices, financial information, accounting systems and procedures.

A copy of the Audit Committee’s Charter is set out in Appendix “A” hereto.

### **Composition of the Audit Committee**

NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company’s Board, reasonably interfere with the exercise of the member’s independent judgment.

NI 52-110 provides that 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. The following sets out the members of the Audit Committee and their education and experience that is relevant to the performance of his responsibilities as an Audit Committee member.

The Audit Committee consists of Joel Shacker, Patrick Morris, and Robert Hancock. Mr. Morris is considered independent and “financially literate” within the meaning of NI 52-110.

### **Relevant Education and Experience of Audit Committee Members**

**Patrick Morris – Chair of the Audit Committee** - Mr. Morris is an entrepreneur and capital markets executive with 20 years of experience raising funds for microcap companies in a number of industries including pharmaceutical cannabis, resource exploration, blockchain technologies, finance and business related to the future of food. Since its inception in late 2019, Mr. Morris currently serves as Chief Executive Officer (CEO) of Clear Sky Lithium Corp (CSE: POWR) and has served as CEO and Director of Eat Beyond Global Holdings Inc (CSE:EATS), Canada’s first publicly traded investment issuer specifically focussed on investing in the future of food. Mr. Morris also co-created and co-produced Canada’s first nationally syndicated radio show about growth stock opportunities which was broadcast on fourteen of the top-rated news talk stations across Canada.

**Joel Shacker** - Mr. Shacker holds an Honours in Business Administration (HBA) from Ivey Business School. For close to a decade, Mr. Shacker has held senior executive management and directorships with a number of private and publicly traded companies, where he has been instrumental in advising and leading companies through major acquisitions and mergers. Mr. Shacker is currently the Chief Executive Officer (CEO) of Core One Labs. Mr. Shacker is also the former CEO of Balsam Technologies, as well as a current director of Bettermoo(d) Food Corporation, American Future Fuel Corporation, Grounded People Apparel Inc., and Gold Line Resources Limited.

**Robert Hancock** – Dr. Hancock is is UBC Killam Professor of Microbiology & Immunology ([https://en.wikipedia.org/wiki/Robert\\_E.\\_W.\\_Hancock](https://en.wikipedia.org/wiki/Robert_E._W._Hancock)). He was a co-founder of Migenix, Inimex Pharmaceuticals, ABT Innovations, Sepset Biosciences, Asep Medical and the Centre for Drug Research and Development/Ad Mare. He is Board Chair of Asep Medical and Core One Labs and CEO of Asep, Sepset, ABT and Vocan Biotechnologies. His academic research interests include small cationic peptides as novel antimicrobials and modulators of innate immunity, the development of novel treatments for antibiotic resistant infections, the systems biology of innate immunity, inflammatory diseases, sepsis, and *Pseudomonas aeruginosa*, and antibiotic uptake and resistance (<http://cmdr.ubc.ca/bobh/>). He has published more than 820 papers and reviews, has 86 patents awarded, and is a Clarivate highly cited author in Microbiology with more than 130,000 citations and an h-index of 181. Recently he was ranked in the world’s 250 most highly cited researchers (PLoS Biol 18(10):e3000918, 2020). He has won several awards including the ICAAC Aventis Antimicrobial Research Award, the leading award for research on antimicrobials, and Canada’s three top prizes for Health Research, and is an Officer of the Order of Canada

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

During the most recently completed financial year, the Company has not relied on certain exemptions set out in NI 52-110, namely section 2.4 (De Minimis Non-audit Services), subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), subsection 6.1.1(5) (Events Outside Control of Member), subsection 6.1.1(6) (Death, Incapacity or Resignation), and any exemption, in whole or in part, in Part 8 (Exemptions).

### **Pre-Approval Policies and Procedures**

The Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

### External Auditor Service Fees

The following table discloses the fees billed to the Company by its external auditor during the last two financial years for the category of fees described:

Financial Year Ended	Audit Fees <sup>(1)</sup>	Audit-Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
December 31, 2021	\$160,000	Nil	Nil	Nil
December 31, 2020	\$130,000	Nil	Nil	Nil

Notes:

- (1) The aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for tax compliance, tax advice and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table is a summary of compensation plans under which equity securities of the Company are authorized for issuance for the year ended December 31, 2021.

Plan Category	Number of securities to be issued upon exercise of outstanding stock options, warrants and rights <sup>(1)</sup>	Weighted-average exercise price of outstanding stock options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(2)</sup>
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	1,364,312	\$6.24	1,762,295
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<b>Total</b>	<b>1,364,312</b>		<b>1,762,295</b>

Notes:

- (1) Reflects the number of Common Shares reserved for issuance upon exercise of Options outstanding granted under the Option Plan as of December 31, 2021.
- (2) Represents the number of Common Shares remaining available for future issuance upon exercise of Options that may be granted under the Option Plan as of December 31, 2021. The maximum number of Common Shares reserved for issuance under the Option Plan at any time is 10% of the Company's issued and outstanding Common Shares at that time, less any Common Shares reserved for issuance under other share compensation arrangements.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

As of the date hereof, other than indebtedness that has been entirely repaid on or before the date of this Circular or "routine indebtedness" as defined in Form 51-102F5 of NI 51-102, no executive officer, director or employee, or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to: (a) the Company or any of its subsidiaries; or (b) another entity where the indebtedness is 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.

### **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 below, elsewhere herein or in the notes to the Company's financial statements for the latest financial year end, none of

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a Director; 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 a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's audited financial statements and the Company's management's discussion and analysis for the financial years ended December 31, 2021, and December 31, 2020. A copy of the Company's audited financial statements and management's discussion and analysis can be obtained, upon request, from the Company at Suite #800 – 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5.

**APPROVAL**

The contents and sending of this Circular to the Shareholders have been approved by the Directors of the Company.

**DATED** at Vancouver, British Columbia, this 3rd day of January, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "Joel Shacker"

Joe Shacker  
Chief Executive Officer

## APPENDIX "A"

### CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The audit committee has various responsibilities as set forth in National Instrument 52-110 ("NI 52-110")

#### **Audit Committee Charter and Composition of the Audit Committee**

The audit committee's charter is set out below:

#### **1.0 Purpose of the Committee**

1.1 The Audit Committee represents the Board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and auditing activities and legal compliance of the Company and its subsidiaries.

#### **2.0 Members of the Committee**

2.1 The Audit Committee shall consist of no less than three Directors a majority of whom shall be "independent" as defined under National Instrument 52-110, while the Company is in the developmental stage of its business. The members of the Committee shall be selected annually by the Board and shall serve at the pleasure of the Board.

2.2 At least one Member of the Audit Committee must be "financially literate" as defined under National Instrument 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the 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.

#### **3.0 Meeting Requirements**

3.1 The Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically and shall be at such times and places as the Committee determines. Without meeting, the Committee may act by unanimous written consent of all members, which shall constitute a meeting for the purposes of this charter.

3.2 A majority of the members of the Committee shall constitute a quorum.

#### **4.0 Duties and Responsibilities**

The Audit Committee's function is one of oversight only and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) have the authority with respect to the appointment, retention or discharge of the independent public accountants as auditors of the Company (the "auditors") who perform the annual audit in accordance with applicable securities laws, and who shall be ultimately accountable to the Board through the Audit Committee;



- (b) review with the auditors the scope of the audit and the results of the annual audit examination by the auditors, including any reports of the auditors prepared in connection with the annual audit;
- (c) review information, including written statements from the auditors, concerning any relationships between the auditors and the Company or any other relationships that may adversely affect the independence of the auditors and assess the independence of the auditors;
- (d) review and discuss with management and the auditors the Company's audited financial statements and accompanying Management's Discussion and Analysis of Financial Conditions ("MD&A"), including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles and report on them to the Board;
- (e) review and discuss with management the Company's interim financial statements and interim MD&A and report on them to the Board;
- (f) pre-approve all auditing services and non-audit services provided to the Company by the auditors to the extent and in the manner required by applicable law or regulation. In no circumstances shall the auditors provide any non-audit services to the Company that are prohibited by applicable law or regulation;
- (g) evaluate the external auditor's performance for the preceding fiscal year, reviewing their fees and making recommendations to the Board;
- (h) periodically review the adequacy of the Company's internal controls and ensure that such internal controls are effective;
- (i) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditors that may have a significant impact on the Company's financial reports, and report on them to the Board;
- (j) oversee and annually review the Company's Code of Business Conduct and Ethics;
- (k) approve material contracts where the Board of Directors determines that it has a conflict;
- (l) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding the audit or other accounting matters;
- (m) where unanimously considered necessary by the Audit Committee, engage independent counsel and/or other advisors at the Company's expense to advise on material issues affecting the Company which the Audit Committee considers are not appropriate for the full Board;
- (n) satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulation relating to insider trading, continuous disclosure and financial reporting;
- (o) review and monitor all related party transactions which may be entered into by the Company; and
- (p) periodically review the adequacy of its charter and recommending any changes thereto to the Board.

## **5.0 Miscellaneous**

5.1 Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.