BEE VECTORING TECHNOLOGIES INTERNATIONAL INC.

Annual Information Form

For the fiscal year ended

September 30, 2018

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Dated: December 2, 2019

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GLOSSARY

In this Annual Information Form, the following words or phrases have the meanings ascribed thereto:

"AIF" means an annual information form that is prepared pursuant to Part 6 of National Instrument 51-102 *Continuous Disclosure Obligations*.

"Audit Committee" means the Company's audit committee.

"Bacillus" means a soil-dwelling bacterium commonly used as a biological pesticide.

"Beauveria" means a fungus that grows naturally in soils that can be used as a biological insecticide and is already registered and produced by third parties for use in spraying applications.

"bee vectoring" means the process of using bees as a delivery system to plants.

"**Botrytis**" means a fungal pathogen causing blossom blight and berry rot.

"Board" means the Company's board of directors.

"**BVT-CR7**" means a patent-pending bio-control which is a particular strain of fungus acting as a beneficial endophyte controlling targeted crop diseases and increasing crop yield.

"BVT System" means the Tray System used in conjunction with Vectorite™ and BVT-CR7 (or a third party inoculant such as Bacillus or Beauvaria).

"BVT Technology" means BVT's technology used in the BVT System, including, without limitation:

i) all patent applications and amendments thereto, including foreign equivalents, and any and all substitutions, extensions, additions, reissues, re-examinations, renewals, divisions, continuations, continuations-in-part or supplementary protection certificates owned by BVT;

ii) all scientific processes, intellectual property, secrets, knowledge, know-how, applications, methods and proprietary operations owned by BVT as a result of the Technology Agreements, and as described elsewhere herein;

iii) all additions, developments, modifications, enhancements, formulations and adaptations, information, methods of use, processes, techniques, manufacturing technology or ideas or inventions owned, possessed or used by BVT, its servants and agents, which is directly related to or used in connection with the Technology, including all trade secrets and any other technical information relating to development, use or commercialization of the Technology, together with any additional developments, modifications, enhancements, improvements and adaptations thereto which are conceived or reduced to practice;

iv) all Technology Agreements; and

v) all trademarks.

"Company" or **"BVT"** means Bee Vectoring Technologies International Inc.

"Endophyte" means an organism, often a bacteria or fungus, that lives within a plant for at least part of its life without causing any apparent disease, and which may benefit host plants by preventing pathogenic organisms from colonizing them.

"EPA" means the Environmental Protection Agency in the United States.

"inoculum" means the active material used in an inoculation, also called an inoculant.

"**MD&A**" means management discussion and analysis, as it relates to the Company's financial statements.

"NI 52-110" means National Instrument 52-110 - *Audit Committees*.

"**Options**" means incentive stock options to purchase Shares of Company issued to directors, officers and consultants of the Company.

"Option Plan" means the stock option plan of the Company.

"PMRA" means the Health Canada's Pest Management Regulatory Agency.

"SEDAR" means the System for Electronic Document Analysis and Retrieval, found at www.sedar.com.

"Sclerotinia" means a soil borne pathogen causing white mod diseases of certain crops.

"**Shares**" mean common shares without par value in the capital of the Company.

"Technology Agreements" means those intellectual property assignment agreements pursuant to which BVT acquired its interest in the BVT Technology.

"Thrips" means slender insects that feed on a large variety of plants and animals and can be damaging
to commercial crops.

"**TSXV**" means the TSX Venture Exchange.

"Tray System" means an integrated dispenser and removable and sealable tray system in which the Vectorite™ containing BVT-CR7 (or a third party inoculant such as Bacillus or Beauveria), is placed through which the bees pass and pick up the BVT-CR7.

"U.S." or "USA" means the United States of America.

"Vectorite™" means a proprietary product to BVT consisting of a mixture of ingredients that facilitate the carrying of the BVT-CR7 inoculant (or a third party inoculant, such as Beauveria or Bacillus) by bees in their outbound flights to farmer's crops.

PRELIMINARY NOTES

Date of Information

Unless otherwise stated, the information herein is presented as at September 30, 2018, being the date of the Company's most recently completed financial year. This AIF applies to the business activities and operations of the Company for the year ended September 30, 2018, as updated to December 2, 2019.

Information Incorporated by Reference

Information may be incorporated by reference into an AIF provided the same is concurrently or previously filed under the Company's profile on the SEDAR. This AIF should be read in conjunction with the following documents, all of which have been previously filed on SEDAR and are hereby incorporated by reference herein:

- the Company's consolidated financial statements for the year ended September 30, 2018, and the MD&A related thereto;

- the Company's quarterly interim financial statements for the three months ended December 31, 2018, six months ended March 31, 2019 and nine months ended June 30, 2019; together with the MD&A related thereto;

- the Company's information circular dated April 5, 2019 and proxy materials pertaining to its annual general and special meeting held on May 10, 2019; and

- all of the Company's news releases, material change reports and reports of exempt distributions filed during and subsequent to the financial year ended September 30, 2018; all of which are available under the Company's profile on SEDAR.

Currency

Unless otherwise specified, in this AIF all references to "dollars" or to "$" are to Canadian dollars.

Special Note Regarding Forward-Looking Statements

Statements contained in this AIF that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation) that involve certain risks and uncertainties. Forward-looking statements include, but are not limited to, financial projections; information or expectations about the Company's business plans, results of operations, products or markets; or which otherwise make statements about future events. Such forward-looking statements can be identified by the use of words such as "intends", "anticipates", "believes", "estimates", "projects", "forecasts", "expects", "plans" and "proposes". Although the Company believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions, there are a number of risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. These include, among others, the cautionary statements under *"Description of Business"*.

Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on the then-current expectations of the Company and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: the forecasted demand for the Company's bee vectoring services; the Company's success in obtaining patents for key technologies; the Company's success in expanding its product offerings; the Company's success in building differentiated applications and products; the ability of the Company to achieve rapid incremental customer growth; the Company's ability to retain key members of its management and development teams; and the Company's ability to access the capital markets.

Consequently, all forward-looking statements made in this AIF and other documents of the Company are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Company.

The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Company and/or persons acting on its behalf may issue. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation. See "*Risk Factors"*.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the name Unique Resources Corp. on May 20, 2011 pursuant to the provisions of the *Business Corporations Act* (British Columbia) and completed its initial public offering of common shares on March 30, 2012. The Company's Shares were approved for trading on the TSXV on April 3, 2012 under the symbol "UQ.V".

On June 1, 2015, the Company executed a share exchange agreement (the "**Exchange Agreement**") with Bee Vectoring Technology Inc. ("**BEE**") whereby the Company acquired all of the issued and outstanding securities of BEE by way of a reverse take-over ("**RTO**") transaction. Prior to closing of the RTO, the Company consolidated its Shares on the basis of one (1) post-consolidation Share for each 2.4 pre-consolidation Shares.

Pursuant to the Exchange Agreement, the Company issued 22,018,170 million post-consolidation Shares to the shareholders of BEE at a deemed issuance price of $0.25 per Share, in exchange for all of the issued and outstanding common shares of BEE.

On June 30, 2015, the Company closed the RTO of BEE and changed its name to Bee Vectoring Technologies International Inc. The Company commenced trading on the TSXV on July 7, 2015 under its new symbol "BEE.V".

On August 25, 2016, the Company completed its continuation into Ontario under the *Business Corporations Act* (Ontario) from the province of British Columbia.

The Company's head office and registered office is located at 4160 Sladeview Crescent, #7 Mississauga, ON L5L 0A1. The Company's corporate website is http://www.beevt.com/. The information contained on the Company's website is not incorporated by reference into this AIF. The Company is a reporting issuer is each of British Columbia and Alberta and its Shares are listed for trading on the TSXV.

Intercorporate Relationships

The following table sets out the current subsidiaries of the Company:

Name of Subsidiary	Jurisdiction of Incorporation	Ownership
Bee Vectoring Technology Inc.	Ontario	100%
Bee Vectoring Technology USA Corp.	Delaware	100%

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Business Developments

On October 25, 2016, the Company received notice of allowance of the following key patent applications for the Tray System from the U.S. and Mexican patent and trademark offices:

- US Patent Application No. 14/763,857; Entitled: Apparatus for Treatment of Plants; and
- Mexico Patent Application No. MX/a/2013/011695; Entitled: Apparatus for Treatment of Plants.

On November 22, 2016, the Company announced successful results from sunflower field trials conducted in three countries: USA, Serbia and Canada. The field trials were designed to evaluate the ability of the BVT System to manage Sclerotinia head rot. To assess the efficacy of the BVT System, several plots were inoculated with the disease and plots where the BVT System was deployed were compared against plots that were left untreated. Additional measurements on the yield of the crop and quality attributes were also made where possible in the trials. In replicated trials conducted at North Dakota State University using bumblebees, the BVT System delivered a 36% reduction in incidence and a 22% reduction in the severity of the disease on average across three different observations. These reductions in disease incidence and severity were statistically significant. The BVT System produced a yield increase in the crop of 8%. In replicated trials conducted in Serbia in collaboration with the Arthur Dobbs Institute and the Serbian Institute of Field and Vegetable Crops and its commercial arm "NS seme", the BVT System delivered a 43% increase in disease-free flowers, a 25% yield increase and a 5% higher bulk density which is an important quality attribute of the sunflower seed. In addition, a trial conducted on a sunflower crop in Ontario, Canada resulted in a 46% increase in yield.

On December 7, 2016, the Company retained Virtus Advisory Group Inc. ("**Virtus**"), to develop and implement a strategic corporate communications program to increase the Company's exposure among industry stakeholders and investors across Canada. In connection with the engagement, Virtus was awarded a consulting contract that includes a monthly fee of $6,500 and a grant of Options, which will vest in equal quarterly instalments over 12 months, to acquire

100,000 Shares, exercisable at a price of $0.24 per Share for a period of five years from date of grant.

On January 10, 2017, the Company entered into formal agreements with several leading U.S. strawberry growers to conduct large-scale commercial demonstrations of the BVT System. The demonstrations began in January 2017 in Florida. The commercial-scale demos were secured based on the strength of the previous trial results and represented an opportunity for the farmers to see how the BVT System can be incorporated into their crop production practices on a commercial scale.

On January 24, 2017, the Company completed the preliminary technical screen process with the EPA for registration of the BVT-CR7. The purpose of the technical screen is to determine if the pesticide registration application and accompanying information and data is accurate and complete, consistent with the proposed labeling and eventual use of the product, and that subject to full review by the EPA experts could result in the granting of the application. The technical screen process was completed in the normal expected time.

On March 2, 2017, the Company filed a patent application with the U.S. patent office for a system that allows the delivery of plant protection products to crops using commercial honey bees. The newly developed BVT System is compatible with most commercial honeybee hives and is designed to deliver a wide variety of plant protection products, such as the BVT-CR7, that inhibit or eliminate common diseases and pests in crops that are pollinated by honeybees. These include almonds, apples, melons, and sunflowers. In initial trials in sunflowers in Ontario in 2016, the honeybee BVT System uniformly delivered the BVT-CR7 biological control agent to the crop and produced a 31% increase in yield for the grower. Additional work in 2016 treating sunflowers in the U.S. with BVT-CR7 using bumblebees showed effective suppression of Sclerotinia. More trials of the honeybee BVT System were scheduled for 2017 on sunflowers and other crops.

On April 13, 2017, the Company announced that the European Patent Office ("**EPO**") has granted Patent Application No. 2693871 for the Tray System entitled: Apparatus for Treatment of Plants. With the grant by the EPO, the Company can validate the patent in the 38 countries that are Member States of the European Patent Organisation. The Company will validate the patent in countries based on the size of the market opportunity that exists in each country.

On April 21, 2017, the Company granted a total of 360,000 Options to a consultant of the Company. Each Option is exercisable to purchase one Share for five years at a price of C$0.25 per Share in accordance with the terms of the Company's Option Plan.

On May 17, 2017, the Company announced successful, verified results from large commercial scale demonstrations of the BVT System, with strawberry growers in Florida. The demonstrations were conducted in the Plant City area of Hillsborough County, Florida, the main winter strawberry growing region in the U.S. which produces around 20 million flats of strawberries on 11,000 acres every year. Three influential growers who combined, control about 30% of the production in the region, expressed interest in gauging how the BVT System could improve the productivity of their farming operations and how it could be incorporated into their crop production practices on a commercial scale. The demonstration fields were assessed for both (a) control of Botrytis gray mold, a costly disease in strawberries which causes the fruit to rot and reduces the shelf life of berries, and (b) the ability to improve marketable yield.

In the first demonstration, conducted on 40 acres at JayMar Farms, the field was divided into three sections: one section was treated with chemical fungicides alone, the second section was treated with the BVT System and the same chemical program used in the first section, while in the third section the BVT System was used with a 50% reduction in the chemical sprays. The results of the first demonstration are as follows:

- The two sections with the BVT System had statistically significant reductions in incidence of botrytis gray mold (3% vs 13%);
- The section where the BVT System was used with a 50% reduction of the chemical fungicides had the best marketable yield, 26% better yield than chemicals alone in direct comparisons; and
- The section where the BVT System was used together with the full chemical program produced a 6% higher yield than where the chemicals were used alone in direct comparisons.

The second grower demonstration was conducted on 20 acres with three sections: one section was treated with chemical fungicides alone, while the other two were treated with the BVT System in addition to the chemical fungicide program. The results of the second demonstration are as follows:

- All sections of the field had low levels of botrytis gray mold;
- The two sections where the BVT System was used produced 6% and 24% more marketable yield respectively than chemical fungicides alone; and
- On average for the season, plants in the sections where the BVT System was used produced 11% more berries per plot compared against the chemical fungicide section.

The third grower demonstration was conducted on 10 acres with two sections: one with a chemical program, and the other with the BVT System plus the same chemical program. The results of the third demonstration are as follows:

- Both sections of the field had low levels of incidence of the botrytis disease; and
- The section with the BVT System had a 29% higher marketable yield across two observations when compared against the chemical only section.

On June 7, 2017, the Company completed trials on strawberries and indoor tomatoes in Spain, Italy, and Greece. The trials were conducted using the BVT System and initial data collected confirmed positive results from previous successful North American trials:

- The BVT System contributes to the control of Botrytis (grey mould), a common and costly disease in strawberries;
- The BVT System increases marketable yields;
- The trials indicate improved shelf life of the strawberries; and
- In tomatoes the BVT System visually improved the health of stem wounds in the plant.

Four independent contract research organizations, Eurofins, Promovert, Anadiag and Agri-2000, individually conducted the trials to prove the efficacy of the BVT System for controlling certain plant diseases and improving the productivity of strawberry and indoor tomato crops in Europe. The replicated trials were designed using the European regulatory process in mind, and the data will be used as part of the submission for European regulatory approval of BVT-CR7.

On July 26, 2017, the Company received official organic certification in the US, and announced that its proprietary formulation of Vectorite™ with BVT-CR7 was listed by the Organic Materials Review Institute ("**OMRI**"). The listing meant the product meets the U.S. Department of Agriculture's guidelines under the National Organic Program standard and is allowed for use in certified organic crops.

On August 16, 2017, the Company announced the successful results from 3 trials on strawberries in Spain and Greece. Results from 2 trials in Spain, and 1 in Greece which were conducted to prove the efficacy of the BVT System showed similar positive outcomes to previous successful North American trials and commercial demonstrations conducted in Florida:

- The BVT System performed as effectively as standard chemical fungicide treatments in the control of Botrytis (grey mould), a common and costly disease in strawberries;
- The BVT System increased marketable yields in all trials: from 3 to 15% compared to standards chemical fungicide treatments, and from 14 to 42% compared to untreated; and
- The BVT System provided control of Botrytis in harvested and stored berries thereby increasing their shelf-life.

On August 23, 2017, the Company entered into a sales and distribution agreement (the "**Guardian Agreement**") with Guardian Soil Solutions LLC ("**Guardian Soil**") in Florida for the launch of the BVT System. Under the Guardian Agreement, Guardian Soil will acquire sales for the Company from its customer base and will be responsible for installing the complete BVT System on a farmer's field. Guardian Soil will maintain the BVT System by replacing the trays periodically to deliver fresh product to the crop throughout the season which runs typically from mid-December to the end of March, and for its disposal at the end of the season. BVT will invoice the growers directly on a monthly basis, per acre where the BVT System is being used in the season.

On August 30, 2017, the Company announced that Mr. Mike Walkinshaw would resign as a director of the Company effective August 31, 2017. Mr. Walkinshaw decided he needed to commit more time to his other responsibilities and would not be able to continue in his role with the Company.

On October 2, 2017, the Company received notice of allowance of the following key patent applications for the Tray System in two agricultural markets:

- Chile Patent No. 53.259: Represents the first patent secured by the Company in South America; and
- Japan Patent No. 6066496: Represents the first patent secured in Japan, and strengthens the Asian patent portfolio which already includes a previously approved patent in China.

On October 18, 2017, the Company announced that it has been selected as one of three finalists for the prestigious global Agrow Awards in the category of Best Application Technology Innovation. The Agrow Awards recognize excellence in the global crop protection and production industries. Entries in 14 categories are evaluated using a wide range of criteria by an independent judging panel consisting of a group of experts from around the world.

On October 24, 2017, the Company secured revenue commitments from several notable strawberry growers in Florida for the winter 2017 growing season. Growers will use the BVT System under a special license obtained from the State of Florida as a plant amendment. The growers will be billed multiple times during the growing season for each acre where the BVT System is being used. The BVT System will be setup, maintained, and disposed of at the end of the season by Guardian Soil, BVT's distribution partner.

On December 4, 2017, the Company announced its successful trial results in blueberries. The trial was conducted near Parrsborough, Nova Scotia, Canada in low bush blueberries with the Wild Blueberry Research Program at Dalhousie University using the honeybee BVT System. The trial was designed to determine the effectiveness of the BVT Technology in controlling Botrytis blight (gray mold) and Monilinia blight (mummy berry), two common and devastating diseases affecting blueberry crops across North America, compared to untreated control and current chemicals standards used by growers, as well as increases in productivity of the crop measured by marketable yield.

On January 16, 2018, the Company announced the successful results from trials in sunflowers conducted during 2017. The trials were designed to evaluate the ability of the BVT System to manage Sclerotinia head rot, an invasive fungal disease that causes high levels of loss in sunflowers and currently has no viable method of prevention. This was the second year of trials in sunflowers in collaboration with North Dakota State University ("**NDSU**"), and the first year in which both BVT's bumble bee hive dispenser and the honeybee hive dispenser were tested. In replicated trials conducted at NDSU using bumblebees, the BVT System delivered a 47% reduction in incidence and a 20% reduction in the severity of Sclerotinia head rot on average across three different observations. Similar level of reductions in disease were seen in the trials conducted in 2016. Yield differences could not be quantified due to collection issues during the harvest. Additionally, a commercial demonstration with the honeybee BVT System was conducted on portions of a 200-acre field that is part of a large farming operation in the Munich, North Dakota area. There was generally low disease pressure in the field, but the crop in areas within the range of the flight of bees showed further disease suppression, and yield increases.

On March 14, 2018, the Company appointed, on a contractual basis, Dr. Gerardo Suazo, Ph.D., M.B.A. to the position of Senior Technical Manager. Dr. Suazo will be responsible for overseeing and managing trials in Mexico and plays a key role in driving the BVT Technology adoption within the country.

On April 16, 2018, the Company received two new key patent application allowances:

- US Patent Application Ser. No. 15/092,968: This application received a Notice of Allowance and, upon issuance, will provide a second patent in the U.S. for the unique carrier formulation that allows beneficial microbes to be carried by bees. The second patent will expand protection of the formulation to include third party microbes; and
- Israeli Patent No. 228762: This recently granted patent for the Company's bumble bee delivery system is the first patent secured in Israel, a key market with a deep tradition for agricultural innovation.

The first U.S. patent on the carrier formulation focused on the Company's own unique beneficial microbe clonostachys rosea which has a broad spectrum of control for various plant pathogens. The allowed claims of the second patent include claims that are not specific to any particular microbe to be used within the formulation, and so provide broader protection to the Company as

it explores the use of other beneficial microbes for delivery through the BVT System for crop protection and/or growth enhancement.

On April 25, 2018, the Company appointed Brandon Boddy to its Board. Mr. Boddy received 200,000 Options for the board position; each Option is exercisable to purchase one Share for five years at a price of C$0.25 per Share. In addition, Mr. Brandon participated in a non-brokered private placement of 500,000 units of the Company ("**Units**") at a price of $0.25 per Unit for gross proceeds of C$125,000. Each Unit consists of one Share and one Share purchase warrant ("**Warrant**"). Each Warrant will entitle the holder to purchase one additional Share at a price of C$0.35 per Share for a period of 2 years from the date of issue.

On June 19, 2018, the Company submitted registration documents in Switzerland for use of BVT-CR7 against fungal diseases in production agriculture. BVT will initially target crops that require pollination and are susceptible to diseases such as Botrytis, such as strawberries and tomatoes. Application of BVT-CR7 before pathogens infect the plant, not only controls disease, but can improve plant vigor as well as quality and yield at harvest.

On July 25, 2018, the Company hired Everett Hendrixon as Territory Manager to drive its sales efforts in Florida and the southeastern U.S. Based in the Tampa area, Mr. Hendrixon will lead BVT's commercialization efforts and help berry growers implement the BVT System into their operations.

On August 13, 2018, the Company announced that it has entered a third year of sunflower trials using the BVT System. Top researchers at NDSU Extension will conduct trials at sites near Langdon and Carrington, North Dakota. Trials using the honeybee BVT System will also be conducted in several commercial fields with key growers in Minnesota and North Dakota. Two previous seasons of trial work of the BVT System in sunflowers showed a 47% and 36% reduction (respectively) in disease incidence, and a 20% and 22% reduction in disease severity, of Sclerotinia head rot. Additionally, the use of the BVT System resulted in plants that were healthier, had improved vigor and increased sunflower seed yield 8% per acre in 2016 (yield measurements were not quantified in 2017).

On October 30, 2018, the Company and Biobest Group NV of Belgium ("**Biobest**") entered into a global technology sharing agreement (the "**Biobest Agreement**") which provides reciprocal access to certain patents of each company. The Biobest Agreement enables both companies to accelerate efforts to bring bee vectoring solutions to growers worldwide and ensuring leading positions in the market.

On November 15, 2018, the Company announced that it has been named by the Swiss State of Fribourg, as one of its Agri & Co Challenge winners, as well as being recognized as the COREB Award winner. BVT and 15 other companies beat out more than 150 other ag-tech companies from 53 different countries for the award. In addition to being one of the ten relocation program winners, BVT was singled out as the COREB Award winner, with an additional cash prize of CHF 5,000. COREB is an association of communities within the Broye region of Switzerland that supports technology companies and encourages them to establish a presence in the region. The COREB Award is voted on by the public and is based on the perceived viability of technology, likelihood of success, and mission of the organization.

On December 12, 2018, the Company announced that it is accelerating efforts to bring the BVT System to commercial growers in Mexico. BVT began the registration process of its BVT-CR7, as a biofungicide for control of common fungal diseases including botrytis. For assistance with

the registration process in Mexico, BVT contracted with a regulatory consultant, and started building relationships with large honey beekeepers as well as the two largest suppliers of bumble bees for pollination, which BVT intends to leverage for the Mexican market. BVT has also begun targeted business development activity in Mexico to introduce growers to its product delivery platform that uses both honey and bumble bees to efficiently deliver disease control products to plants.

On January 22, 2019, the Company received patent allowance for its microbial strain BVT-CR7, granted in the United States. This patent allowance protects a critical component of the BVT Technology. This is the first patent granted to BVT for its BVT-CR7 microbial strain, representing the start of a fourth family of granted patents in BVT's expanding patent portfolio. This patent application is under review by 15 other patent authorities around the world, including the EPO.

On January 28, 2019, the Company announced the invoicing of the first commercial sales of its BVT Technology to strawberry growers in Florida.

On March 14, 2019, the Company expanded the pilot launch of the BVT Technology into the Georgia blueberry market, following its successful launch in the Florida strawberry market. BVT conducted grower demonstrations in the Georgia blueberry market with growers seeing positive results. Additionally, after hearing about the innovative approach taken by BVT to increase yields, some growers, such as Major League Blueberries located near Nicholls, Georgia, contacted BVT to conduct blueberry trials with the BVT System on their own farms.

On March 25, 2019, the Company's Board approved a restricted share unit plan (the "**RSU Plan**") and a 20% fixed Option Plan to grant restricted share units ("**RSUs**") and Options to directors, officers, key employees and consultants of the Company. Pursuant to the RSU Plan and the Option Plan, the Company may reserve up to an aggregate of 15,519,854 Shares pursuant to awards granted under the plans. Pursuant to the new plans, the Company has granted 728,059 RSU's and Options exercisable for 218,418 Shares to certain directors, officers, key employees and consultants who have agreed to forgo an aggregate of CDN $141,972 of their cash compensation, representing a portion or all their cash compensation for a period of four months (March to June 2019), and as an incentive for individuals to drive the growth of the Company. The RSU's and 50% of the Options vest only upon EPA's approval of the Company's Vectorite™ with CR-7 product. The Options, 50% of which vest immediately, are exercisable at CDN $0.195 per share until March 22, 2024. In addition, the Board has approved the grant of 1,610,000 Options to certain directors, officers, employees and consultants of the Company, which vest in three months and are exercisable at CDN $ 0.195 per Share until March 22, 2024.

On April 24, 2019, announced that the first season of the pilot launch into the Florida strawberry market has concluded with expanding commercial sales of its BVT Technology. From November 2018 to March 2019, five growers purchased the BVT System as part of BVT's pilot launch. When comparing fields where the BVT System was added to the standard spray program versus those using the spray program alone, growers this season saw yield increases ranging from 28% to 146%. In addition, BVT completed a second year of replicated research and development trials with Dr. Natalia Peres, Professor, Strawberry Pathology at the University of Florida Institute of Food and Agricultural Sciences, and a leading strawberry expert and key opinion leader for the Florida strawberry grower community. As with the previous year, the BVT System delivered a higher yield when added to a standard spray program as compared to the spray program alone. The average yield increase over the two years of Dr. Peres' trial work is

20%. Adjustments implemented to the BVT System to minimize weather impact all worked as planned with growers enjoying more robust bee activity throughout the season. These changes included optimizing the hive counts per acre, fine-tuning the timing of hive placements, and improving the design of the hive boxes themselves.

On August 28, 2019, the EPA approved BVT-CR7 for use as a fungicide on commercial crops. BVT-CR7 is the first registered active ingredient for the Company and the first active ingredient approved by the EPA for application via bees. Sold under the brand name Vectorite™ with CR-7, the product is labeled for numerous high-value crops, including strawberries, blueberries, sunflowers and almonds. With this approval, the BVT is positioned to officially launch and begin to generate revenue with Vectorite™ with CR-7, starting with the 2019 fall and winter blueberry and strawberry season in the U.S. The registration permits BVT to make positive crop protection claims when selling Vectorite™ with CR-7. The EPA's registration makes Vectorite™ with CR-7, EPA Registration. No. 90641-2, available immediately for sale as a registered fungicide for use on the labelled crops.

On October 23, 2019, the Company announced Sizemore Farms, a top-tier grower of Florida strawberries, as the first commercial grower deal for the Company's Vectorite™ with CR-7 product. Sizemore Farms will be using the Company's BVT System and Vectorite™ with CR-7 on 100% of their 62-acre organic strawberry crop and is considering testing the naturally-derived fungicide on a portion of their 600+ conventional acres for possible implementation on their 2020 crop.

On October 30, 2019, the EPA established an exemption from the requirement of a tolerance under the *Federal Food, Drug and Cosmetic Act* for BVT-CR7, the active ingredient in, Vectorite™ with CR-7. The tolerance exemption decision applies to all registered end-use products based on BVT-CR7. This includes Vectorite™ with CR-7 for delivery using bees, and future products currently in development by BVT for delivery via traditional foliar spray, soil drench or seed coating methods. The exemption applies to crops treated with BVT-CR7 that are grown and consumed in the U.S., as well as crops that are grown outside of the U.S. and subsequently imported into the country. This tolerance exemption complements the EPA approval and OMRI organic certification for Vectorite™ with CR-7.

On November 6, 2019, the Company signed deals with two leading commercial blueberry growers in Georgia to use the BVT System and Vectorite™ with CR-7. BVT also announced that it is in discussions with more than 10 additional blueberry growers in Georgia, as well as in other blueberry growing regions, and is expecting additional order commitments. The two signed blueberry growers will be using the BVT System on a combined 250 acres of conventional fields for the 2020 season. The addition of the BVT System is expected to increase yield and protection against disease while using a fraction of the product required with traditional spray applications. Water consumption and use of fossil fuels is also significantly reduced for producers using the BVT System. One of the contracted blueberry growers will adopt the BVT System on 100% of their fields, after trials on progressively larger sections in past seasons. The second grower is a first-time user, adopting the BVT System on 25% of their acreage to start. As is typical with growers, they plan to progressively add the BVT System to their entire operations over two to three seasons.

On November 13, 2019, the Company announced that it has been recognized in the 2019 Agrow Award for Best Application Technology Innovation for the BVT System and Vectorite™ with CR-7. The Best Application Technology Innovation Award recognizes developments that improve the precision or safety of pesticide applications. The Agrow Awards are the premier

global competition that honors top advancements in agriculture and best-in-class scientific, technological and leadership initiatives and showcase the future of the industry. It is organized by Agrow, the news and analysis service division of Informa Agribusiness Intelligence. The awards recognize industry successes and innovative, boundary-pushing ideas, with winners chosen from around the world by a distinguished judging panel from within the industry.

On November 20, 2019, the Company sold out its planned Florida allocation of commercial bumblebee hives with the BVT System and Vectorite™ with CR-7. Multiple Florida strawberry growers, including a second top-tier producer to adopt the BVT Technology, will be using the BVT System on a combined 150 acres of conventional and organic fields. Florida fields are planted in October, and the plants start to bloom in late November. The hives with the BVT System are carefully timed to coincide with that blooming period; they will be in place on growers' fields starting in late November. While the Florida production window is traditionally from December through March, an increase in strawberry imports from Mexico in recent years during March is further shortening this window and putting both pricing and profit pressure on the strawberry producers. The BVT System is allowing growers to maximize disease protection while increasing yields and quality during this tightening window, which increases their market competitiveness.

On November 27, 2019, the Company announced it has completed phase one lab trials on six third-party products using the BVT System. Phase two field studies on three of those products will commence shortly. The goal of the project is to open new market opportunities and fast-track additional revenue for BVT. Because these microbial candidate products control a different spectrum of crop pests than BVT's proprietary CR-7, they can be used on their own in crops where pests controlled by CR-7 are not present, or along with CR-7 on crops that have multiple pests affecting the flower area. Adding third-party products to existing CR-7 applications is achieved by "stacking" two or more microbes together, a practice already common in seed treatment applications. Using the new products on new crops creates additional revenue streams and will increase revenue from crops that already use CR-7. As part of the Company's in-licensing project, the products were initially lab-tested for compatibility with its formulation of Vectorite™ powder and its beneficial microbe CR-7, and to evaluate if commercial bumblebees could carry the spores of the microorganisms directly to plant blooms. Basedon favorable results, the Company has shortlisted three of the products to be used in the upcoming field studies.

Selected Financings

On March 21, 2017, the Company completed the first tranche of a non-brokered private placement which consisted of the sale and issuance of 4,602,000 Units at a price of $0.25 per Unit for gross proceeds of C$1,150,500 (a "**Unit Offering**"). Each Unit consists of one Share and one-half of one Warrant. Each whole Warrant entitles the holder to purchase one additional Share at a price of C$0.40 per Share for a period of three years from the date of issuance, subject to the Company's right to accelerate the expiry date of the Warrants if the closing market price of the Shares of the Company on the TSXV is equal to or exceeds C$0.65 for a period of 30 consecutive trading days commencing 4 months after the date the Warrants are issued. The Company paid commissions to eligible finders under the Unit Offering totaling C$45,300 and issued to such finders a total of 181,200 Warrants (the "**Finder's Warrants**"). Each Finder's Warrant entitles the holder to acquire one Share at $0.40 per Share until March 21, 2019, subject to the acceleration terms as noted above.

On April 21, 2017, the Company closed the second tranche of its non-brokered private placement for aggregate gross proceeds of C $1,428,500 (the "**Second Unit Offering**"). In connection with the second tranche closing, the Company issued 1,112,000 Units at a price of $0.25 per Unit. Each Unit consists of one Share and one-half of one Warrant. Each whole Warrant entitles the holder to purchase one additional Share at a price of $0.40 per Share until April 21, 2019, subject to the Company's right to accelerate the expiry date of the Warrants if the closing market price of the Shares of the Company on the TSXV is equal to or exceeds C$0.65 for a period of 30 consecutive trading days commencing 4 months after the date the Warrants are issued. The Company paid an aggregate of $59,880 and issued 239,520 Finders Warrants in connection with the Second Unit Offering. Each Finder's Warrant entitles the holder to acquire one Share at $0.40 per Share for 2 years from the issuance date of the Finder's Warrant, subject to the acceleration terms as noted above.

On September 19, 2017, the Company completed a non-brokered private placement of 3,922,000 Units at a price of $0.20 per Unit for gross proceeds of C$784,400. Each Unit consists of one Share and one half of one Warrant. Each whole Warrant entitled the holder to purchase one additional Share at a price of C$0.35 per Share until September 19, 2019, subject to the Company's right to accelerate the expiry date of the Warrants if the closing market price of the Shares of the Company on the TSXV is equal to or exceeds C$0.50 for a period of 20 consecutive trading days any time after January 20, 2018. The Company paid commissions to finders consisting of cash fees of C$18,840 and the issuance of 89,700 Finder's Warrants. Each Finder's Warrant entitles the holder to purchase one Share at a price of C$0.35 per Share until September 19, 2019, subject to the acceleration terms as noted above.

On February 16, 2018, the Company closed a non-brokered private placement for gross proceeds of C$1,575,000 and issued a total of 6,300,000 Units at a price of $0.25 per Unit. Each Unit consists of one Share and one half of one Warrant. Each whole Warrant entitles the holder to purchase one additional Share at a price of C$0.30 per Share until February 16, 2019. The Company paid commissions to finders consisting of cash fees of C$105,600 and the issuance of 422,400 Finder's Warrants. Each Finder's Warrant entitles the holder to purchase one Share at a price of C$0.30 per Share until February 16, 2019.

On March 28, 2018, the Company closed a non-brokered private placement of 12,000,000 Units of the Company at a price of $0.25 per Unit for gross proceeds of C$3,000,000. Each Unit consists of one Share and one Warrant. Each Warrant entitles the holder to purchase one additional Share at a price of C$0.35 per Share until March 28, 2020.

On May 4, 2018, the Company closed a non-brokered private placement of 500,000 Units at a price of $0.25 per Unit for gross proceeds of C$125,000. Each Unit consists of one Share and one Warrant. Each Warrant entitles the holder to purchase one additional Share at a price of C$0.35 per Share until May 2, 2020.

On October 23, 2019, the Company closed a non-brokered private placement of 4,242,104 special warrants ("**Special Warrants**") at a price of $0.25 per Special Warrant for gross aggregate proceeds of C $1,060,526 (the "**SW Offering**"). Each Special Warrant represents the right of the holder to receive, without payment of any additional consideration or need for further action, subject to customary anti-dilution provisions, one Unit four months and one day after closing. Each Unit will consist of one Share and one transferable Warrant. Each Warrant will entitle the holder, on exercise, to purchase one additional Share for a period of 18 months following the closing, at an exercise price of CAD$0.40 per Share. The Company has the right to accelerate the expiry date of the Warrants if the closing market price of the Shares of the

Company on the TSXV is equal to or exceeds C$0.55 for a period of 15 consecutive trading days commencing with the date the Warrants are issued. A director of the Company participated in the SW Offering and will acquire, directly or indirectly, an aggregate of 60,000 Special Warrants. New investors that are friends and family of the directors and who are not insiders also purchased 580,000 Special Warrants in the SW Offering.

On November 29, 2019, the Company closed a supplementary non-brokered private placement of 3,047,647 Special Warrants at a price of $0.35 per Special Warrant for gross aggregate proceeds of up to C $1,1,066,677 (the "**Second SW Offering**"). Each Special Warrant represents the right of the holder to receive, without payment of any additional consideration or need for further action, subject to customary anti-dilution provisions, one Unit four months and one day after closing. Each Unit consists of one Share and one transferable Warrant. Each Warrant will entitle the holder, on exercise, to purchase one additional Share for a period of 18 months following the closing, at an exercise price of CAD$0.45 per Share. The Company has the right to accelerate the expiry date of the Warrants if the closing market price of the Shares of the Company on the TSXV is equal to or exceeds C$0.60 for a period of 15 consecutive trading days commencing with the date the Warrants are issued. The Company paid finders fees of $57,805 cash and issued 165,157 Warrants on the same terms noted above to qualified parties in connection with Second SW offering.

Significant Acquisitions

The Company did not make any significant acquisitions in the most recently completed fiscal year.

DESCRIPTION OF BUSINESS

General

BVT is a development stage company which owns the patented and patent pending technology specifically designed to utilize bees as natural delivery mechanisms for a variety of powdered mixtures comprised of organic compounds or currently used products which inhibit or eliminate common crop diseases, while at the same time promoting the growth of the same crops. This application process is without the use of water which is beneficial to areas under strict water management practices. In addition, independent companies can deliver their biocontrol's through the BVT platform allowing a broad spectrum of applications.

The bees walk through the powder mixtures as they exit their hive and the mixture becomes temporarily attached to their legs en-route to the flowers of the crops of interest. The BVT System consists of a dispenser that is incorporated into the lid of commercially reared bumblebee hives or that attaches to the outside of a commercial honeybee hive. The dispensers have a removable tray or refillable cartridge that can contain non-toxic, organic, pesticides and fertilizers in powdered form, including BVT's proprietary carrier Vectorite™. Vectorite™ allows the bees to effectively pick up the inoculums on their way out of the hive. Multiple inoculums for a variety of different pathogens and pests can be mixed in the Vectorite™ in a process called "stacking". BVT has its own bio control organic inoculant fungi, BVT-CR7, used to inhibit and control certain pathogens in high value crops such as strawberries, Blueberries, Tomatoes, Canola, Sunflowers.

The trays or cartridges are changed or refilled approximately every three to nine days in order to replenish the depleted inoculum, ensure the freshness of the inoculant fungi, prevent infections

to the bees which may result from bee waste, and avoid packing or clumping of the inoculum in the trays. No special skills are required to replace the trays or refill the cartridges and the process takes a minimal amount of time to complete. Exact and predetermined amounts of inoculum are placed in the tray or in pouches to fill cartridges. BVT has custom designed machinery to precisely fill these sealed trays called Vectorpak™ trays, or in pouches called Vectorpak pouches.

Summary

BVT was established with a view to providing effective protection of crops against disease organisms and insect pests, which is critical for achieving high yield and quality in many pollinated crops. Inadequate protection of crops can lead to major losses in yield and quality of fruit and seed. BVT possesses a patented and patent pending organic crop control and delivery system that has numerous competitive advantages over commercial pesticides and their applications.

The current technology used for protecting the flowers of crops relies heavily on the use of chemical pesticides (fungicides and insecticides) applied as sprays while the crops are in bloom. Problems with current spray technology include:

- Limited effectiveness because many flowers may open and die during spray intervals and therefore remain untreated. Sprays generally protect flowers for only 3-4 days. As many as half of the flowers during the entire bloom period of a crop may remain untreated by spray programs.
- Most of the pesticide is deposited on non-targets, such as soil and leaves.
- Pesticide sprays often kill or inactivate many beneficial organisms present in crops.
- Pesticide use risks contamination of the environment, such as soil and water resources.
- Pesticides can contaminate foods and feeds, such as fruits and seeds.
- With many crops, such as greenhouse tomatoes, workers cannot re-enter the crop for hours or days after pesticides are applied, which is disruptive to crop production practices and labour use.
- Many pesticides lose their effectiveness with repeated use as disease organisms, as pests and plants become resistant and insensitive to the repeated use of certain chemicals.
- Many chemicals require substantial amounts of water to be used as part of the delivery system and result in issues of run-off to the water table.
- Current chemicals are suspected of killing insects and bees and other organisms long after application with possible long-term detrimental effects on the environment.

BVT's patented and patent pending technology uses bumblebees and honey bees as a system to deliver naturally occurring beneficial fungus and other beneficial microbes to flowering plants. BVT offers an organic means to control diseases and pests and provide plant enhancing properties while requiring zero water for delivery. The delivery method allows for delivery of BVT inoculums either individually or together with other bio controls. Multiple bio controls could be mixed together for delivery by bees to solve a range of problems. The platform can deliver many inoculums or pathogen controlling products effectively. The flower is an effective portal to deliver these controls to crops and bees are the ideal natural way to get to the majority of the blooms. Bees will touch almost all flowers that are in bloom thereby delivering inoculum consistently throughout a bloom period.

Prior to 1990 virtually no bees were used for pollination in greenhouses, however today greenhouses worldwide use bees to pollinate vegetable crops and fruits. Bees are also used in many outdoor crops and orchards for pollination, such as apples, blueberries and almonds. The process of using bees as a delivery system is called “bee vectoring”. BVT will employ these same bees to deliver inoculants on outbound trips to assist in crop pest control and to deliver a fertilizer or plant enhancer products in greenhouse crops and outdoor crops.

BVT targets diseases and pests that can negatively affect a crop through and around the flower. Initial diseases targeted with its own bio control BVT-CR7, are Botrytis and Sclerotinia. Additional diseases and pests will be targeted as well, including through the use of third party bio control products.

Botrytis

Strawberries, blueberries or raspberries often grow grey fuzz, which appears over time as the berries are stored or refrigerated resulting in waste. This is Botrytis and it becomes more active as the produce ripens in shipment or storage. The fungal pathogen, Botrytis cinerea, causes blossom blight and berry rot. It overwinters as mycelium in dead leaves and mummified berries of affected crops and as minute black bodies (sclerotia) such as on raspberry canes. Under humid conditions throughout the growing season, spores (conidia) are produced on minute tree-like structures (conidiophores) that grow on the dead foliage, old berries and on sclerotia. In mass they appear greyish hence the name “grey mold”. The spores are dispersed in their millions by wind, rain, and overhead irrigation, many to new leaves, flowers and berries. Under favorable conditions of moisture and temperature the spores can germinate and infect these aerial parts of the crop.

The fungus can infect leaves of almost any age, but it remains quiescent and latent inside the leaves until they senesce and turn yellow. Young canes (primocanes) of raspberries can be infected via the leaf petioles and may wilt, die and be covered with grey mold. Flowers of all berry crops are highly susceptible to Botrytis infection. Germinating spores of the fungus can readily infect and colonize all flower parts throughout the bloom period, often turning the blossoms brown. It is from this important entry point that the fungus is able to grow and establish latent infections within the young fruit. Fruit infections generally remain quiescent and without symptoms until the berries are nearly ripe or have been harvested. In strawberries and raspberries, spores produced on unpicked, leaky, or overripe fruit may lead to further flower and fruit infections in the crop.

Sclerotinia

The soil borne pathogen Sclerotinia causes white mold diseases can seriously damage and in some cases quickly and completely destroy a crop. Numerous kinds of crops can be attacked, including canola, sunflowers, blueberries and strawberries.

Sclerotinia white mold is a significant risk in all fields of canola and sunflowers in Canada and in many other regions of the world. No viable solution exists for sunflowers as spraying is impractical due to height of the flowers and the frequency of applications needed for adequate control. In many areas, fungicides are no longer effective against Sclerotinia on account of pathogen resistance.

These two diseases, Botrytis and Sclerotinia, are very closely related and part of the reason BVT’s patent pending biological control agent (bio-control) works on both pathogens. BVT’s bio-

control controls diseases by spatial occupation of plant tissues and preempting tissue invasion by pathogens. As soon as bees deliver BVT's patent pending bio to flowers, the fungus germinates and colonizes the flower tissues without causing any harm or symptoms. It colonizes earlier and faster than disease organisms and thereby occupies space the disease organisms would normally use while attacking the plant.

Principal Products

BVT has patents granted and/or pending for the following technologies:

1. bio-control called "BVT-CR7": a particular strain of fungus acting as a beneficial endophyte controlling targeted crop diseases and increasing crop yield;

2. Vectorite™: a recipe of ingredients that allows bees to carry BVT-CR7 and other beneficial fungi or bacteria in their outbound flights to the crops; and

3. An integrated dispenser and removable and sealable tray system for bumble bee hives in which the Vectorite™ containing BVT-CR7 or other third party microbial products is placed through which the bees pass and pick up the Vectorite™.

4. A computer-controlled dispenser system for use with honeybee hives which can dispense in a controlled manner a determinate amount of the Vectorite™ containing BVT-CR7 or other third party microbial products for delivery to crops using honeybees.

BVT-CR7, is an organic strain of a natural occurring endophytic fungus. It has not been genetically modified or altered in any way. Bees and plants are well accustomed to this kind of fungus and it is harmless to humans. After delivery by the bees to the crops it dies out naturally within 24-48 hours if it is unable to find suitable host plants. BVT-CR7 is a selected strain of a fungus that is commonly found in a large diversity of plants and soils all around the world. It grows harmlessly in the inside of plant tissue. BVT-CR7 is able to control numerous diseases but is especially effective for controlling those caused by the fungal pathogens, such as Botrytis and Sclerotinia discussed above. BVT-CR7 is endophytic in flowers, fruits, leaves, stems, and roots of plant hosts. It does not cause disease or substances toxic to plant tissue. Other microbial agents are not endophytic or have very limited endophytic ability.

As an endophyte, BVT-CR7 also enhances plant growth by organically increasing nutritional uptake, improving root size and structure, improving vegetative growth and size of plants, increasing the number of flowers and flower size, increasing resistance to diseases and environmental stresses, and preventing Botrytis and Sclerotinia development. BVT-CR7 has no re-entry issues (i.e. the time workers have to be excluded from the greenhouse to allow conventional pesticides to dissipate), it can be used up to the day of harvest, it's organic, and its beneficial effects last longer than traditional chemical fungicides.

Berries developing from BVT-CR7 treated flowers have natural built-in protection against diseases and consequently last longer and have a longer shelf life. This gives growers additional valuable time to get the fruit to market and consumers more time to enjoy the fruit. Blueberries, for example, sometimes require 14 days just to get to market.

Vectorite™ is a formulation of different ingredients including the BVT-CR7 bio-control, as well as other future biocontrols, specially formulated to allow the powder to attach to the legs and bodies of the bees and thus be carried by the bees towards the flowering crops as they leave

the hives. One of the significant benefits to this system is the fact that several bio controls can be used together to cover more diseases and pests than just those targeted by BVT-CR7, thereby reducing costs and making this system more effective. For example, Thrips are present in almost all greenhouses in the world and a significant issue to the grower. Several bio-controls are already registered and produced by third parties for use in spraying applications to control Thrips. BVT will evaluate these bio-controls for suitability in its system and compatibility with BVT-CR7. One such bio-control is Beauveria, a fungus already registered and produced by third parties. Beauveria is used to control Thrips which either spread a virus that kills crops or lays their eggs in fruit like strawberries rendering them useless. Most if not all greenhouses, including flowering or ornamental greenhouses, in the world, suffer from Thrips.

BVT has developed an inoculum dispenser system that is incorporated into the lid of the commercial bumble bee hive. In the dispenser is a removable tray that contains, in powder form, the inoculant fungi and a mixture of products (being, Vectorite™) that allows the bees to effectively pick up the product on their way out of the hive. Vectorite™ allows the inoculant to get attached to the bee's hairy legs and bodies as they walk through the tray on their way out of the hive.

Bumblebees are used because of their efficiency and effectiveness in distributing BVT-CR7. Bumble bee hives are produced commercially and are approximately 14 x14 x10 inches in dimension. Each hive holds up to 300 bumble bees and the bees live for live for approximately 5-6 weeks then die out naturally. At the end of this cycle, the hives are destroyed. Bumble bees are natural pollinators making thousands of trips a day each and visiting approximately 10 flowers per minute.

The Company has developed a similar system to work with honeybee hives. This system opens up additional opportunities in crops such as almonds and sunflowers where honeybees are used to pollinate crops more commonly.

Bankruptcy and Similar Procedures

The Company has not been the subject of bankruptcy, receivership or similar proceedings (voluntary or otherwise) in the three most recently completed financial years or completed during or proposed for the current financial year.

Reorganizations

The Company has not been the subject of any material reorganization within the three most recently completed financial years, or completed during or proposed for the current financial year.

Social or Environmental Policies

We have not implemented any social or environmental policies that are fundamental to the Company's operations, such as policies regarding our relationship with the environment or with the communities in which we may do business, or human rights policies.

Risk Factors

Intellectual Property

The future success of the Company's business is dependent upon the intellectual property rights surrounding the BVT Technology, including trade secrets, know-how and continuing technological innovation. There can be no assurance that the steps taken to be taken by the Company to protect its intellectual property rights will be adequate to prevent misappropriation or that others will not develop competitive technologies or processes. There can be no assurance that other companies are not investigating or developing other technologies that are similar to the BVT Technology. There is no certainty that patents will be issued to the Company from any application filed by BVT or that, if patents do issue, the claims allowed will be sufficiently broad to deter or prohibit others from adopting similar manufacturing methods. In addition, there can be no assurance that any patent issued to the Company will not be challenged, invalidated or circumvented, or that the rights thereunder will provide a competitive advantage to the Company. There can be no assurances that other parties may be "first to file" patents over products or processes that the Company may seek to protect or that are critical to its technology and manufacturing processes.

Patents and Proprietary Rights

The Company's success depends, in part, on its ability to obtain patent protection for its products, technologies and their uses, on its ability to maintain trade secret protection and to operate without infringing the proprietary rights of others and without third parties circumventing the rights that BVT currently owns or licenses. BVT has filed and is actively pursuing patent applications related to the BVT Technology including the Vectorite™ formulation in the United States, Canada and other jurisdictions. BVT cannot ensure that all of its patent applications will result in the issuance of patents, that the coverage claimed in a patent application will not be significantly reduced before a patent is issued or that the Company will develop other proprietary products that are patentable. Failure of the Company to obtain adequate patent protection for any of the current or projected patent applications could have a material adverse effect on the Company's ability to gain a competitive advantage and may have a material adverse effect on operations. In particular, failure to obtain patent protection could permit competitors of the Company to produce products that could be directly competitive with the Company's product candidates or to develop technologies directly competitive with the Company's technologies.

BVT has filed patent applications on the basis that the inventors have assigned their interest in the inventions to BVT and that such assignments have been confirmed in assignments as of the date of the patent applications. There is no assurance that the inventors did not deal with their interest in the inventions named in the patent applications prior to the date of the confirmatory assignments. The confirmatory assignments have been obtained from employees that BVT identified as being the inventors of the inventions named in the patent applications. No assurance can be given that any other person who may be an inventor has assigned to BVT their, or waived any, interest in the inventions for which BVT has filed patent applications.

Patent applications in the U.S. are maintained in secrecy until the patents issue, or if they have foreign patent application counterparts, for 18 months after they have been filed. Patent applications in Canada and many other jurisdictions also remain confidential for 18 months from the priority filing date. Publication of discoveries in the scientific or patent literature often lag behind actual discoveries. As a consequence, BVT cannot be certain that it was, or any

licensor was, the first creator of inventions covered by issued patents or pending patent applications for such inventions.

There can be no assurance that patents the Company may be able to obtain in the future would be held valid or enforceable by a court. A holding of invalidity or unenforceability may reduce or eliminate the value of the BVT Technology covered by the patent. Competitor companies and research and academic institutions have developed technologies, filed patent applications or received patents on various technologies that may be related to BVT's business and BVT Technology. Some of these technologies, applications or patents may conflict with the BVT Technology or intellectual property rights. BVT is aware of other parties with intellectual property rights that may represent prior art or other potentially conflicting intellectual property. Such conflicts could limit the scope of the patents, if any, that the Company may be able to obtain or result in the denial of its patent applications.

BVT also relies on trade secrets and proprietary know-how that may not be protected by patent and there is no assurance that the Company will be able to protect its trade secrets. BVT seeks to protect its rights in part by confidentiality agreements with its collaborators, employees, advisors and consultants. No assurance can be made that the obligation to maintain the confidentiality of BVT's secrets and proprietary know-how will not wrongfully be breached by the Company's employees, consultants, advisors or others, or that BVT's trade secrets or proprietary know-how will not otherwise become known, or be independently developed by competitors in a manner providing the Company with no practical recourse against the other parties involved.

Third-Party Intellectual Property Infringement Claims

Patent applications that may relate to or affect BVT's business may have been filed by other competitor companies and universities. Such patent applications or patents may conflict with BVT's technologies or patent applications and such conflict could reduce the scope of patent protection that BVT could otherwise obtain or even lead to refusal of Company patent applications. The Company could also become involved in interference proceedings in connection with one or more of BVT's patents or patent applications to determine priority of invention. In the event that a court was to find that the Company infringes a valid patent of a third party, it may have to pay license fees and/or damages and might be enjoined from conducting certain activities. There is no assurance that the Company could enter into licensing arrangements at a reasonable cost, or develop or obtain alternative technology in respect of patents issued to third parties that incidentally cover its product candidates. Any inability to secure licenses or alternative technology could result in delays in the introduction of some of the Company's products or even lead to prohibition of the development, manufacture or sale of certain products by the Company.

Testing and Trials

Testing and trials of the BVT Technology and BVT-CR7 are ongoing and play a role in acquiring regulatory approval in the countries in which the Company intends to do business. Should these tests and trials not be undertaken in compliance with good laboratory practices and with proper vigilance and competence, such deficiencies can result in regulatory authorities rejecting the trial data. A rejection of trial data can pose a serious setback in the path to regulatory approval for the Company. If the results of the tests and trials are not favourable, or do not warrant additional testing and submission to regulatory authorities such failure could have a significant impact on the Company's ability to bring the BVT Technology to market, or it

may limit the scope and number of crops to which the Company's products are applicable. Unforeseen circumstances, such as inclement weather events, can have a negative impact on trials and affect the quality of results and completion of tests.

Registration and Regulatory Approval of Technology

The Company has started efforts to expand its markets outside of the U.S. It has started the process towards regulatory submissions to the Canadian, Mexican and European markets. The approval processes by the regulatory bodies in Canada, Mexico and the European Union are lengthy, time consuming and inherently unpredictable. There may be unforeseen delays in the process of registration such as errors with testing and trials, contaminated samples, human error and follow up with the regulatory bodies which may delay approval and have a negative impact on the Company's operations and ability to produce in those jurisdictions. Failure to receive registration from Canada, Mexico and the European Union may have a negative impact on the operations of the Company.

Regulated Industry

Pesticides are highly regulated products around the world. Changes to the approval process that could be imposed by the regulatory bodies around the world, such as Canada's PMRA or the U.S. EPA, may materially impact the Company's ability to access desirable markets or to do so in a profitable manner. The Company's intended markets could be highly susceptible to changes in regulation. Moreover, these regulations may be different across each jurisdiction in which the Company operates, for example, each U.S. State may have additional regulations regarding pesticide use in addition to the EPA regulations. Regulatory changes and timing are a matter over which the Company has no control, and there can be no assurance that regulatory changes applicable to the Company and/or its customers will not negatively impact the business, financial condition, and operating results of the Company.

Research and Development Activities

It is important for the Company to continue to invest steadily in research and development. However, because the Company will compete in a constantly evolving market, it may pursue research and development projects that do not result in viable commercial products. Any failure to translate research and development expenditures into successful new product introductions could have an adverse effect on the Company's business.

Limited Business History

The Company does not have any history of earnings; neither has it paid any dividends and it is unlikely that the Company will pay any dividends in the immediate or foreseeable future. BVT has not commenced commercial operations and has no assets other than cash and patents pending. Neither the Issuer nor BVT will generate earnings until at least after completion of the Transaction. The success of the Company will depend entirely on the expertise, ability, judgment, discretion, integrity and good faith of its management.

The Company has limited financial resources and there is no assurance that additional funding will be available to the Company for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of a profitable resale of the Shares would be diminished.

Additional Financing

The Company will require additional financing in order to make further investments or take advantage of future opportunities and to grow its business. The ability of the Company to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as upon the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of Shares or other forms of convertible securities from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

Profitability

There is no assurance that the Company will earn profits in the future, or that profitability will be sustained. There is no assurance that future revenues will be sufficient to generate the funds required to continue the Company's business development and marketing activities. If the Company does not have sufficient capital to fund its operations, it may be required to reduce its sales and marketing efforts or forego certain business opportunities.

Dependence on Management and Key Personnel

The Company strongly depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term. The Company's success will depend in large measure on certain key personnel. The loss of the services of such key personnel may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. The contributions of the existing management team to the immediate and near term operations of the Company are likely to be of central importance. In addition, the competition for qualified personnel in the biological /agricultural industry is competitive and there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Company.

Significant Competition

Although the BVT Technology is different from traditional pesticide systems, there are traditional pesticide companies which are larger and have a longer operating history than the Company. Many of these companies are better financed, with larger sales forces and marketing budgets than the Company. There can be no guarantee that the Company will be able to effectively compete in the marketplace with such competition.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Issuance of Debt

From time to time, the Company may enter into transactions to acquire assets or the shares of other organizations or seek to obtain additional working capital. These transactions may be financed in whole or in part with debt, which may increase the Company's debt levels above industry standards for companies of similar size. Depending on future plans, the Company may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms to the Company. The Company's constating documents does not limit the amount of indebtedness that may be incurred and it is not expected that the Company's constating documents will contain such restrictions. As a result, the level of the Company's indebtedness from time to time could impair its ability to operate or otherwise take advantage of business opportunities that may arise.

Dilution

The Company may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Company which may be dilutive to the holdings of existing shareholders.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price. There can be no assurance that continuing fluctuations in price will not occur. It may be anticipated that any quoted market for the Company's Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of the Company's Shares will be affected by such volatility. A public trading market in the Shares having the desired characteristics of depth, liquidity and orderliness depends on the presence in the marketplace of willing buyers and sellers of Shares at any given time, which, in turn is dependent on the individual decisions of investors over which the Company has no control. There can be no assurance that an active trading market in securities of the Company will be established and sustained. The market price for the Company's securities could be subject to wide fluctuations, which could have an adverse effect on the market price of the Company. The stock market has, from time to time, experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance, net asset values or prospects of particular companies. If an active public market for the Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline.

Conflicts of Interest

Certain directors of Company are also directors of other companies and as such may, in certain circumstances, have a conflict of interest.

Dividends

The Company has not paid any dividends on its outstanding shares. Any payments of dividends on the Shares will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the Company's Board may consider appropriate in the circumstance. It is unlikely that the Company will pay dividends in the immediate or foreseeable future.

Costs Stemming from Defence Against Third-Party Intellectual Property Infringement Claims

Third parties may assert that the Company is using their proprietary information without authorization. Third parties may also have or obtain patents and may claim that technologies licensed to or used by the Company infringe their patents. If the Company is required to defend patent infringement actions brought by third parties, or if it sues to protect its own patent rights or otherwise to protect its proprietary information and to prevent its disclosure, the Company may be required to pay substantial litigation costs and managerial attention may be diverted from business operations even if the outcome is in the Company's favour. In addition, any legal action that seeks damages or an injunction to stop the Company from carrying on our commercial activities relating to the affected technologies could subject the Company to monetary liability and require it or any third party licensors to obtain a license to continue to use the affected technologies. The Company cannot predict whether it would prevail in any of these types of actions or that any required license would be available on commercially acceptable terms, or at all. Some of the Company's competitors may be able to sustain the costs of complex patent litigation more effectively than the Company because they have substantially greater resources.

Slow Acceptance of BVT's Products

The marketplace may be slow to accept or understand the significance of the Company's BVT Technology due to its unique nature and the competitive landscape. If the Company is unable to promote, market and sell its products and secure relationships with manufacturers and purchasers, the Company's business and financial condition will be adversely affected.

Markets for Securities

There can be no assurance that an active trading market in the Company's Shares will be established and sustained. The market price for the Shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of the Company's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of the Company.

General Economic Conditions May Adversely Affect the Company's Growth

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries continue to be negatively impacted by

these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange markets combined with a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, tax rates may adversely affect the Company's growth and profitability.

DIVIDENDS AND DISTRIBUTIONS

The Company has never declared or paid any cash or stock dividends or made any other distribution of its Shares since inception. The Company does not anticipate paying cash or stock dividends on its Shares for the foreseeable future. Future dividends on its Shares will be determined by the Board in light of circumstances existing at the time, including earnings and financial condition. There is no assurance that dividends will ever be paid.

DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized capital consists of an unlimited number of common shares without par value of which 78,899,829 are currently issued and outstanding.

All of the issued Shares are fully paid and non-assessable. Each Share entitles the holder thereof to one vote per Share at all meetings of shareholders. All of the Shares issued rank equally as to dividends, voting rights and distribution of assets on winding up or liquidation. Shareholders have no pre-emptive rights, nor any right to convert their common shares into other securities. There are no existing indentures or agreements affecting the rights of shareholders other than the notice of articles and articles of the Company.

As of the date of this AIF, the Company has the following securities outstanding:

- 78,899,829 Shares;
- 7,289,751 Special Warrants;
- 1,648,500 Warrants exercisable at $0.35 per Share with an expiry date of September 19, 2020;
- 12,000,000 Warrants exercisable at $0.35 per Share with an expiry date of March 28, 2020;
- 500,000 Warrants exercisable at $0.35 per Share with an expiry date of May 2, 2020;
- 50,000 Options exercisable at $0.25 per Share until June 30, 2020;
- 1,580,000 Options exercisable at $0.25 per Share until July 6, 2020;
- 1,600 Options exercisable at $0.30 per Share until August 8, 2020;
- 275,000 Options exercisable at $0.43 per Share until November 6, 2020;
- 2,800 Finder's Warrants with an expiry date of April 23, 2021;
- 165,157 Finder's Warrants with an expiry date of May 28, 2021
- 100,000 Options exercisable at $0.28 per Share until June 1, 2021;
- 325,000 Options exercisable at $0.50 per Share until June 23, 2021;
- 1,000,000 Options exercisable at $0.32 per Share until August 30, 2026;
- 100,000 Options exercisable at $0.32 per Share until October 1, 2021;
- 200,000 Options exercisable at $0.25 per Share until April 21, 2022;
- 365,000 Options exercisable at $0.25 per Share until March 1, 2023;

- 600,000 Options exercisable at $0.25 per Share until March 28, 2023;
- 200,000 Options exercisable at $0.25 per Share until April 25, 2023;
- 25,000 Options exercisable at $0.16 per Share until February 7, 2024;
- 1,828,418 Options exercisable at $0.195 per Share until March 22, 2024;
- 50,000 Options exercisable at $0.24 per Share until September 16, 2024; and
- 5,900,000 Options exercisable at $0.31 per Share until October 30, 2024.

MARKET FOR SECURITIES

The Shares are listed and posted for trading on the following stock exchanges:

- TSXV under the symbol “BEE.V”;
- OTC Pink Sheets under the symbol “BEVVF”;
- Stuttgart Stock Exchange under the symbol “1UR1.SG”;
- Munich Stock Exchange under the symbol “1UR1.MU”
- Frankfurt Stock Exchange under the symbol “1UR1.F”; and
- Berlin Stock Exchange under the symbol “1UR1.BE”.

Trading Price and Volume

The following table sets forth the particulars of the trading of the Shares on the TSXV during the most recently completed financial year.

	Price Range and Trading Volume		
	High ($)	**Low ($)**	**Volume**
September 2019	0.28	0.225	1,156,700
August 2019	0.29	0.14	2,254,600
July 2019	0.195	0.155	334,300
June 2019	0.175	0.145	677,700
May 2019	0.20	0.16	1,097,900
April 2019	0.22	0.185	873,000
March 2019	0.205	0.18	482,500
February 2019	0.195	0.15	772,500
January 2019	0.17	0.145	1,252,600
December 2018	0.175	0.13	782,600
November 2018	0.18	0.16	393,900
October 2018	0.22	0.16	616,200

The Company’s Shares are not listed or are trading on any other stock exchange or marketplace in Canada.

Prior Sales

During the most recently completed financial year, and subsequently, the following securities were issued by the Company:

Date	Number and Type of Securities[1]	Number of Securities	Issue/Exercise Price Per Security
February 7, 2019	Options	25,000	$0.16
March 22, 2019	Restricted Share Units	728,059	N/A
March 22, 2019	Options	1,828,418	$0.195
September 4, 2019	Common Shares	728,059[(1)]	$0.235
September 16, 2019	Options	50,000	$0.24
October 23, 2019	Special Warrants	4,242,104	$0.25
October 23, 2019	Finder's Warrants	2,800	$0.40
October 30, 2019	Options	5,900,000	$0.31
November 28, 2019	Special Warrants	3,047,647	$0.35
November 28, 2019	Finder's Warrants	165,157	$0.45

(1) Pursuant to the vesting of the 728,059 RSUs issued on March 22, 2019.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

None of the Company's outstanding securities are subject to escrow or any other contractual restriction on transfer.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The name, province or state and country of residence, position with and principal business or occupation in which each director and executive officer of the Company who has been engaged during the immediately preceding five years, are as follows:

Name, Position, Province or State and Country of Residence	Principal Occupation or Employment for the Past Five Years	Date Elected or Appointed	Number of Shares Owned, Controlled or Directed, Directly or Indirectly
Michael Collinson[(1)] Ontario, Canada *Chairman and Director*	Chairman and Director of the Company. Director of Chelsian Sales & Marketing Inc.	June 30, 2015	2,960,923[(4)]
Jim Molyneux[(1)(2)(3)] Ontario, Canada *Director*	Chartered Accountant and Regional Managing Partner for GTA West of MNP LLP (Toronto).	June 30, 2015	1,742,659[(5)]
Claude Flueckiger[(1)(3)] Basel, Switzerland *Director*	Consultant at Flueckiger Consulting.	June 30, 2015	110,102[(6)]
Brandon Boddy British Columbia, Canada *Director*	Principal at Boddy and Co. Investments.	April 25, 2018	500,000[(7)]

Name, Position, Province or State and Country of Residence	Principal Occupation or Employment for the Past Five Years	Date Elected or Appointed	Number of Shares Owned, Controlled or Directed, Directly or Indirectly
Kyle Appleby Ontario, Canada *Chief Financial Officer and Corporate Secretary*	Chartered Professional Accountant.	June 30, 2015	Nil[8]
Ashish Malik California, USA *President and CEO*	President and CEO of the Company.	September 1, 2016	786,325[9]

Notes:
(1) Member of the audit committee.
(2) Chair of the audit committee.
(3) Member of the compensation committee.
(4) Of these shares, 1,326,794 are held through Chelsian Sales & Marketing Inc., a company controlled by Mr. Collinson. Mr. Collinson also holds 2,130,769 Options, 361,663 Warrants and 60,000 Special Warrants.
(5) Of these shares, 112,500 are held through Pengally Bay Investments Inc., a company controlled by Mr. Molyneux. Mr. Molyneux also holds 1,170,000 Options and 180,834 Warrants.
(6) Mr. Flueckiger also holds 1,403,031 Options.
(7) Mr. Boddy also holds 850,000 Options and 500,000 Warrants.
(8) Mr. Appleby also holds 180,000 Options.
(9) Mr. Malik also holds 2,332,577 Options and 240,000 Warrants.

Term of Office

The term of office for each of the Company's directors expires immediately before each annual meeting of shareholders.

Share Ownership

As of the date of this AIF, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over an aggregate of 6,100,009 Shares, which represented approximately 7.73% of the Company's issued and outstanding Shares. The statement as to the number of Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of the Company as a group is based upon information furnished by the directors and executive officers.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the directors or executive officers of the Company, is at the date of this AIF, or was within the past ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any other company (including the Company), that:

(a) was subject to an order (as defined below) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer and chief financial officer.

In this section, “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

No director or executive officer of the Company nor any share holder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or has been within the past ten years, a director, officer or promoter of another company which was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with any creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that company.

No director or executive officer of the Company nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has, within the past ten years, declared bankruptcy or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with any creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that director, executive officer or shareholder.

No director or executive officer of the Company nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Company may be subject in connection with its operations. All of the directors and officers are, to a greater or lesser extent, engaged in and will continue to be engaged in other corporations or businesses. Accordingly, situations may arise where some or all of the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under applicable corporate law and corporate governance, including disclosing of any interest in a proposed transaction, and abstaining from voting on such matters.

PROMOTERS

To the best of the Company’s knowledge, no person or company has been a promoter of the Company within the two most recently completed financial years or during the current financial year.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

The Company and its properties or holdings are not subject to any legal or other actions, current or pending, which may materially affect the Company's operating results, financial position or property ownership.

Regulatory Actions

The Company has not:

(a) had any penalties or sanctions imposed against it by a court relating to securities legislation or by a securities regulatory authority during the most recently completed financial year;

(b) had any other penalties or sanctions imposed against it by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or

(c) entered into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the most recently completed financial year.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

For the purposes of this AIF, "informed person" means:

(a) a director or executive officer of the Company;

(b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of the Company; and

(c) any associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b) above.

No informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has or has had any material interest, direct or indirect, in any transaction undertaken by the Company during its three most recently completed fiscal years or during the current fiscal year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries, save and except for (i) remuneration for services received by each of the Company's senior officers, and (ii) participation by officers and directors in the various private placements undertaken by the Company.

TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent of the Company is TSX Trust at its Toronto office at 100 Adelaide St W #301, Toronto, ON M5H 1S3.

MATERIAL CONTRACTS

Other than the Biobest Agreement as described in the *General Development of the Business – Three Year History* section of this AIF, there are no additional contracts that are material to the Company and or were entered into by the Company within the last financial year, or before the last financial year but are still in effect.

INTERESTS OF EXPERTS

The Company's auditor is RSM Canada LLP, 11 King Street West, Suite 700 Toronto, ON M5H 4C7. RSM Canada LLP is independent from the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

No director, officer or employee of RSM Canada LLP is or is expected to be elected, appointed or employed as a director, officer or employee of the Company.

ADDITIONAL INFORMATION

Audit Committee

Pursuant to the provisions of NI 52-110, reporting issuers in those jurisdictions which have adopted NI 52-110 are required to provide disclosure with respect to its audit committee including the text of the audit committee's charter, composition of the committee, and the fees paid to the external auditor. Disclosure of the Company's audit committee and audit committee charter is set forth in the Company's Information Circular dated April 5, 2019, which Information Circular is filed on SEDAR and is incorporated herein by reference.

Other Additional Information

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including the directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the Company's Information Circular dated April 5, 2019, which Information Circular is filed on SEDAR and is incorporated herein by reference.

Additional financial information is provided in the Company's financial statements and MD&A for its financial year ended September 30, 2018, and subsequent interim financial statements for the three months ended December 31, 2018, the six months ended March 31, 2019, and the nine months ended June 30, 2019; together with the MD&A related thereto which both documents are filed on SEDAR and are incorporated herein by reference.