



**COGNETIVITY NEUROSCIENCES LTD.**

Suite 2250 – 1055 West Hastings Street  
Vancouver, British Columbia V6E 2E9  
Telephone: (604) 688-9588, Fax: (778) 329-9361  
[www.cognetivity.com](http://www.cognetivity.com)

**INFORMATION CIRCULAR**  
as at November 9, 2022 *except as otherwise indicated*

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Cognetivity Neurosciences Ltd. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on Thursday, December 15, 2022 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

In this Information Circular, references to the “Company”, “we” and “our” refer to **Cognetivity Neurosciences Ltd.** “**Common Shares**” means Class A Common Shares without par value in the capital of the Company. “**Registered Shareholders**” means Shareholders of the Company who hold Common Shares in their own name. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

**Appointment of Proxyholders**

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

**Voting by Proxyholder**

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

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

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

**Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company’s transfer agent, TSX Trust, by fax at 1-416-595-9593, or by mail to TSX Trust Company, Attn: Proxy Department, 301-100 Adelaide St. W., Toronto, Ontario, M5H 4H1; or

- (b) log on to TSX Trust's website at [www.voteproxyonline.com](http://www.voteproxyonline.com). Registered shareholders must follow the instructions provided on the website and refer to the enclosed proxy for the holder's account number and the proxy access number.

Registered Shareholders may wish to vote by proxy whether or not they attend the Meeting in person. Registered Shareholders who choose to submit a proxy may do so by completing, dating and signing the enclosed form(s) of proxy and returning it to the Transfer Agent, TSX Trust not later than 11:30 a.m. Pacific Time on Tuesday, December 13, 2022, or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived at the Chair's discretion without notice.

### **Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing process and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners ("OBOs") object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners ("NOBOs") who do not object to the issuers of the securities they own knowing who they are.

Pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") the Company distributes copies of the Notice of Meeting, this Information Circular and the form of Proxy (collectively, the "**Meeting Materials**") to the Depository and Intermediaries for onward distribution to Beneficial Shareholders. The Company does not send Meeting materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting materials to all Beneficial Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

These securityholder materials are being sent to both registered and non-registered (beneficial) owners of the securities of the Company. If you are a beneficial owner, and the Company or its agent sent these materials to you directly, your name, address and information about your holdings of securities were obtained in accordance with applicable securities regulatory requirements by the intermediary holding securities on your behalf.

### ***If you are a Beneficial Shareholder:***

If you are a Beneficial Shareholder you should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The proxy form supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and in the United States. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of the proxy provided by the Company. The VIF will name the same persons as are named on the Company's form of Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), who is different from any of the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, insert the name of the desired representative, which may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge's instructions. Broadridge will then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting to vote your Common Shares.**

## Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the *Business Corporations Act* (British Columbia) (the “BCBCA”) and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this information circular has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada which differ from the disclosure requirements of United States federal securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the BCBCA, certain of its directors and its executive officers are residents of Canada, and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

## Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a Company, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to TSX Trust, or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting, or to the Chair of the Meeting on the day of the Meeting before any vote in respect of which the proxy is to be used shall have been taken,
- (b) if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the Chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (c) personally attending the Meeting and voting the registered shareholder’s Common Shares.

Beneficial Shareholders who wish to revoke their voting instructions should contact the Intermediary holding their Shares for instruction.

## FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the financial years ended January 31, 2022 and January 31, 2021, the report of the auditor thereon and the related management’s discussion and analysis will be tabled at the Meeting and will be available at the Meeting and are also available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as may be set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Board of the Company has fixed November 9, 2022 as the record date (the “Record Date”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Class A (“Common Shares”) without par value, with attaching rights and restrictions, each Common Share carrying the right to one vote. As of record date November 9, 2022, a total of 85,049,178 Common Shares were issued and outstanding.

The Common Shares are listed for trading on the Canadian Securities Exchange (the “CSE”). The Company is also listed on the OTCQB under stock symbol “CGNSF”.

### *Class B Preferred Shares*

The Company is also authorized to issue an unlimited number of Class B Preferred Shares with attaching rights and restrictions. The holders of the Class B Shares are not entitled to receive notice of and to attend any meeting of the shareholders of the Company or to vote on any matter at any meetings of shareholders of the Company. The holders of Class B Shares are not entitled to receive dividends. The holders of the Class B Shares shall be entitled, in the event of any liquidation, dissolution or winding up, whether voluntary or involuntary, or any other distribution of assets among the Company's shareholders for the purpose of winding up its affairs, to share rateably, together with the holders of Common Shares in such assets of the Company as are available for distribution.

All Class B Shares are not subject to any pre-emptive rights, retraction or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital. The Class B Shares shall not be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the Common Shares are adjusted proportionately. At November 9, 2022 record date, there were no outstanding Class B Shares.

### *Class C Preferred Shares*

The Board resolved on October 18, 2022 to add to the Company's share structure, an unlimited number of Class C Preferred Shares with attaching rights and restrictions to its Articles. The altered Articles were SEDAR filed on November 1, 2022 under the Company's SEDAR corporate profile at [www.sedar.com](http://www.sedar.com). The Class C Preferred Shares without par value may be issued from time to time in one or more series and shall as class have the following rights, privileges, restrictions and conditions attaching thereto:

- (a) Except as otherwise required by law, each Class C Share does not entitle the holder to receive notice of and to attend any meeting of shareholders of the Company or to vote on any matter at any meetings of shareholders of the Company.
- (b) The holders of Class C Preferred Shares are not entitled to receive dividends. In the event that the Company pays a dividend or makes a distribution to all holders of the Common Shares, the holders of the Class C Preferred Shares shall be entitled to such dividend or distribution as if they had converted their Class C Preferred Shares into Common Shares prior to applicable record date or effective date.
- (c) Subject to the rights of the shares of any other class ranking senior to the Class C Shares with respect to priority upon a Liquidation Event, in the event of a Liquidation Event, the holders of Class C Shares, the holders of Class B Preferred Shares and the holders of Common Shares shall participate rateably in equal amounts per share, without preference or distinction, in the remaining assets of the Company.
- (d) No Class C Share may be transferred without first obtaining written approval from the Board subject to obtaining any applicable regulatory approvals.
- (e) Each Class C Share is convertible into one (1) Common Shares without any additional consideration.
- (f) Subject to the provisions of this Part, the Class C Shares are, following the date that is one year following the date of issuance of the Class C Shares (the "Redemption Date"), redeemable at the option of the holder in accordance with the terms and conditions of the Investor Rights Agreement entered into between the Company and the holder of the Class C Shares.

### *Principal Holders of Voting Securities*

To the knowledge of the directors and executive officers of the Company, as at November 9, 2022, [except as set forth below, there are no persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company.

<b>Shareholder Name<sup>(1)</sup></b>	<b>Number of Common Shares Held<sup>(1)</sup></b>	<b>Percentage of Issued Common Shares</b>
CDS & Co.	58,947,478(1)	69.3099%
CEDE & Co.	11,697,992(2)	13.7544%

Shareholder Name <sup>(1)</sup>	Number of Common Shares Held <sup>(1)</sup>	Percentage of Issued Common Shares
Sina Habibi	9,104,314 <sup>(3)</sup>	10.70%

Notes:

- (1) CDS & Co is a share depository, the beneficial ownership of which is unknown to the Company. The above information has been furnished to the Company by TSX Trust Company.
- (2) CEDE & Co. is a share depository, the beneficial ownership of which is unknown to the Company. The above information has been furnished to the Company by TSX Trust Company.
- (3) Sina Habibi is the CEO and a director of the Company. The above information has been furnished to the Company by Sina Habibi.

### Appointments/Resignations of Directors and Officers year 2022

Effective October 5, 2021 Ravinder Kang resigned as a director of the Company.

Effective October 12, 2021:

Denise Lok resigned as Chief Financial Officer and Corporate Secretary.

Thomas Sawyer, who currently serves as Chief Operating Officer, was appointed as Chief Financial Officer and Corporate Secretary and was appointed a director of the Company.

Desmond M. Balakrishnan was appointed a director of the Company. Mr. Balakrishnan currently serves as the Company's legal counsel.

Effective December 31, 2021 Mark A. Phillips resigned as Chief Compliance Officer.

### ELECTION OF DIRECTORS

#### Number of Directors

There are currently six directors of the Company. The Board proposes to nominate for election at the Meeting, six (6) directors. Shareholders will be asked at the Meeting to approve an ordinary resolution to fix the number of directors to be elected to the Board at six (6).

At the Meeting, Shareholders will be asked to vote on the following ordinary resolution:

**“BE IT RESOLVED** that the number of directors for election at this Meeting be fixed at six (6).”

**Management recommends the Shareholders approve the resolution to fix the number of directors of the Company at six (6). Unless otherwise indicated on the form of Proxy received by the Company, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, in favour of the resolution to fix the number of directors of the Company at six (6).**

#### Nominees

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the Business Corporations Act (British Columbia) (the “BCA”), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following disclosure sets out the names of management's nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the information date of this Information Circular.

<b>Name of Nominee; Current Position with the Company and Province and Country of Residence</b>	<b>Period as a Director of the Company</b>	<b>Present Principal Occupation</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
Sina Habibi <sup>(8)(9)</sup> Chief Executive Officer and Director United Arab Emirates	Director Since December 21, 2017  Chief Executive Officer Since December 21, 2017	Director and Chief Executive Officer of Cognativity UK. Since April 2013; and PhD and postdoctoral researcher at the University of Cambridge from October 2008 to April 2014.  Refer to “ <b>Director Biographies</b> ” below.	9,104,314 <sup>(2)</sup>
Thomas Sawyer Chief Operating Officer, Chief Financial Officer, Corporate Secretary and Director United Kingdom	Director Since October 12, 2021  Chief Financial Officer and Corporate Secretary Since October 12, 2021  Chief Operating Officer Since December 21, 2017	Director of Advanced Weather Applications; Weather Unlocked from 2014 to present and Chief Operating Officer of Cantabio Pharmaceuticals from 2016 to present; and Director of Capro UK from 2014 to present.  Refer to “ <b>Director Biographies</b> ” below.	561,774 <sup>(3)</sup>
David Velisek <sup>(7)(8)(9)</sup> Director British Columbia, Canada	Director Since December 11, 2015	Manager, Corporate Development at Baron Global Financial Canada Ltd from 2009 to present.  Refer to “ <b>Director Biographies</b> ” below.	150,000 <sup>(4)</sup>
Christos Kalafatis <sup>(8)(9)</sup> Chief Medical Officer and Director United Kingdom	Director Since December 21, 2017  Chief Medical Officer Since December 21, 2017	Consultant in Old Age Psychiatry since 2015; Registrar in Old Age Psychiatry from 2012 to 2015.  Refer to “ <b>Director Biographies</b> ” below.	1,328,619 <sup>(5)</sup>
Mark A. Phillips <sup>(7)(9)</sup> Director United Kingdom	Director Since December 21, 2017	Chairman of Cognativity UK to 2017. Director of Centillion Technology Ltd since 2021.  Refer to “ <b>Director Biographies</b> ” below.	815,934 <sup>(6)</sup>
Desmond M. Balakrishnan <sup>(7)</sup> Director British Columbia, Canada	Director Since October 12, 2021	Partner at McMillan LLP from 2004 to present.  Refer to “ <b>Director Biographies</b> ” below.	Nil

**Notes:**

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Dr. Habibi also holds Options to purchase 1,000,000 Common Shares at an exercise price of \$0.25, expiring March 19, 2023. Dr. Habibi also holds 800,000 fully vested Restricted Share Units expiring on September 30, 2024 and warrants to purchase 554,080 Common Shares at an exercise price of \$0.85, expiring on February 11, 2025.
- (3) Dr. Sawyer also holds Options to purchase 300,000 Common Shares at an exercise price of \$0.25, expiring on March 19, 2023 and Options to purchase 350,000 Common Shares at an exercise price of \$0.67, expiring on October 12, 2026. Dr. Sawyer also holds

900,000 fully vested Restricted Share Units expiring on September 30, 2024 and warrants to purchase 423,305 Common Shares at an exercise price of \$0.85, expiring on February 24, 2025.

- (4) Mr. Velisek also holds Options to purchase 200,000 Common Shares at an exercise price of \$0.25, expiring on March 19, 2023 and Options to purchase 100,000 Common Shares at an exercise price of \$0.67, expiring on October 12, 2026.
- (5) Dr. Kalafatis also holds Options to purchase 300,000 Common Shares at an exercise price of \$0.25, expiring March 19, 2023 and Options to purchase 350,000 Common Shares at an exercise price of \$0.67, expiring on October 12, 2026. Dr. Kalafatis also holds 900,000 fully vested Restricted Share Units expiring on September 30, 2024 and warrants to purchase 446,727 Common Shares at an exercise price of \$0.85, expiring on February 24, 2025.
- (6) Dr. Phillips also holds Options to purchase 300,000 Common Shares at an exercise price of \$0.25, expiring on March 19, 2023 and Options to purchase 250,000 Common Shares at an exercise price of \$0.67, expiring on October 12, 2026. Dr. Phillips also holds 800,000 fully vested Restricted Share Units expiring on September 30, 2024.
- (7) Member of Audit Committee.
- (8) Member of Compensation Committee.
- (9) Member of the Corporate Culture Committee.

None of the nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

**Management recommends election of each of the nominees listed above for election as director of the Company for the ensuing year. Unless otherwise indicated on the form of Proxy received by the Company, the persons designated as proxyholders in the accompanying form of Proxy will vote the Common Shares represented by such form of Proxy, properly executed, in favour of each of the nominees listed in the form of Proxy, all of whom are presently members of the Board.**

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then persons designated in the Proxy intend to exercise discretionary authority to vote the Common Shares represented by the Proxy for the election of any other persons nominated by management for election as directors.

#### **Director Biographies**

##### ***Sina Habibi, Chief Executive Officer and Director***

Dr. Habibi has been the Chief Executive Officer the Chief Executive Officer of the Company since April 2013. He has worked as an executive director in medical-technology, gaming (Neural Game Studios), researcher in nano-technology (Cavendish Laboratory, University of Cambridge in Collaboration with GSK) and synthetic biology (Institute for Manufacturing), product manager in car manufacturing (Peugeot) and technology consultant in the laser industry (National Physical Laboratories).

Through his academic path Dr. Habibi has become proficient in numerical and statistical data collection and analysis, stochastic modeling and programming, and currently consulting PriNumb (Digital Wallet Company) and UnIP (Parking Optimisation solution) as big data and technology consultant. Dr. Habibi was an active member of Cambridge University Entrepreneurs since 2010 and chaired the society in 2013-2014.

Dr. Habibi obtained his PhD in Engineering from the University of Cambridge.

##### ***Thomas Sawyer, Chief Operating Officer, Chief Financial Officer, Corporate Secretary and Director***

Dr. Sawyer has been the Chief Operations Officer of CGN since April 2016. He combines a background in academic research with 13 years of experience in entrepreneurship, consulting and private equity investment in sectors including biotechnology, information technology, logistics and natural resources across the globe. He has worked on merger and acquisition activities for private and public companies in the United States, Europe and Africa and has experience in raising capital, initial public offerings, mergers and in Chief Executive Officer / Chief Technology Officer roles for start-up and private equity backed ventures, since 2015 as a Director in the area of biotechnology developing therapies for a United States listed pharmaceutical company working on disease modifying therapies for Alzheimer's and Parkinson's.

Dr. Sawyer holds a PhD in Life Sciences from the University of Glasgow, an Executive MBA from the University of Cambridge and has lectured on Finance at the University of Cambridge, Exeter University and University College London. Dr. Sawyer combines a strong technical background with business development, corporate finance and operations, and is an active mentor on the "Accelerate Cambridge" business accelerator program at the University of Cambridge.

##### ***Christos Kalafatis, Chief Medical Officer and Director***

Dr. Kalafatis is an Old Age Psychiatrist with a special interest in medical innovation, service development and digital health quality improvement. Dr. Kalafatis has developed electronic clinics for older people and led strategic national health system

(NHS) partnership schemes in dementia and has worked across different NHS trusts to modernise the practice and scope of Memory Services.

Dr. Kalafatis is currently working as consultant in the dementia & Ageing Clinical Academic Group, SLAM NHS Trust and has partnered with King's College London for the development of novel digital health interventions in older adults.

***Mark A. Phillips, Director***

Dr. Phillips has over 30 years' experience in the pharmaceutical and lifescience industries, covering product development, manufacturing operations and business strategy. Dr. Phillips has previously held positions as Senior Vice President and Head of Diagnostic Development and Supply, and Senior Vice President in R&D at GlaxoSmithKline, and is currently a Director of a non-competing life-science start-up (Centillion Technology Ltd).

Dr. Phillips has a degree in Chemical Engineering from Loughborough University, a Masters and PhD in Engineering from the University of Cambridge, and is a Chartered Engineer and Fellow of Institution of Chemical Engineers.

***David Velisek, Director***

Mr. Velisek is currently employed with Baron Global Financial Canada Ltd. as Manager, Corporate Development. Mr. Velisek has been involved in capital markets for over 25 years in investor relations, as a trader of equities, options and futures as well as an investment advisor.

Mr. Velisek obtained financial experience through his years of analyzing financial statements and performance measurement ratios during his years as an investment advisor.

***Desmond M. Balakrishnan, Director***

Mr. Balakrishnan is a Vancouver lawyer and has practiced law as a partner at McMillan LLP since January 2002. His areas of practice focus on mergers, acquisitions, international public listings, cannabis law, gaming and entertainment law. Mr. Balakrishnan acts as counsel to companies with respect to corporate governance, regulatory compliance, public listing on the Canadian Securities Exchange, the TSX Venture Exchange, the Toronto Stock Exchange, Nasdaq and the New York Stock Exchange, and debt or equity financings and strategic acquisitions. Mr. Balakrishnan is now, or has been in the last five years, a director or officer of various public companies or reporting issuers. Mr. Balakrishnan graduated from Simon Fraser University with a Bachelor of Arts degree in 1994 and from the University of Alberta in 1997 of Alberta in 1997 with an LL.B (*with distinction*). Mr. Balakrishnan was called to the bar in British Columbia in 1998.

**Cease Trade Orders and Bankruptcies**

Except as set out below, no proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company in respect of which the Information Circular is being prepared) that:

- (i) was subject to a cease trade or similar order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade or similar order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Company in respect of which the Information Circular is being prepared) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No director has, within the past ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

**Penalties and Sanctions**

To the Company's knowledge, no existing or proposed director, officer or promoter of the Company, or a securityholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities



- regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision in regard to the Company.

### ***Exception***

#### *Desmond M. Balakrishnan*

Desmond Balakrishnan, a director of the Company, was a director of Aroway Energy Inc. (“Aroway”) a TSX Venture Exchange listed company at the time a Cease Trade Order was issued by the British Columbia Securities Commission on January 4, 2016 for not having filed its annual financial statements for the year ended June 30, 2015 and its interim financial report for the financial period ended September 30, 2015 and its management’s discussion and analysis for the periods ended June 30, 2015 and September 30, 2015. Effective at the close of business on Monday, Monday, June 18, 2018, the common shares of Aroway were delisted from the TSX Venture Exchange as a result of Aroway’s failure to maintain Exchange Requirements. The cease trade order remains in effect.

### **Advance Notice of Director Nominations by Shareholders**

The Company’s Articles include an advance notice provision (the “**Advance Notice Provision**”). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person’s term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision included in the Company’s Articles which were filed on SEDAR at [www.sedar.com](http://www.sedar.com) on January 2, 2018.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.**

### **APPOINTMENT OF AUDITOR**

MNP LLP, Chartered Professional Accountants, of Suite 2200, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3 will be nominated at the Meeting for appointment as auditor of the Company for the ensuing year. MNP LLP, Chartered Professional Accountants, were first appointed auditor of the Company on February 15, 2017.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of MNP LLP, Chartered Professional Accountants, as auditor of the Company until the close of the next annual general meeting.**

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

The provisions of National Instrument 52-110 – *Audit Committees* (“**NI52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

#### **The Audit Committee’s Charter**

The audit committee has a charter. A copy of the Company’s Audit Committee Charter is attached as Schedule “A” to this Information Circular.

## Composition of the Audit Committee

The current members of the Audit Committee are David Velisek (Chair), Mark A. Phillips and Desmond M. Balakrishnan. David Velisek and Mark A. Phillips are independent members of the Audit Committee. Desmond M. Balakrishnan is not an independent as he is currently a partner in a law firm that provides legal services to the Company. All audit committee members are considered to be financially literate.

An audit committee member is independent if the member has no direct or indirect material relationship with the Company that could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

An audit committee member is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## Relevant Education and Experience

Each member of the Company's audit committee has adequate education and experience relevant to their performance as an audit committee member and, in particular, the requisite education and experience that provides the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

See further information for each audit committee member set out in "Director Biographies" above.

## Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than MNP LLP.

## Reliance on Certain Exemptions

The Company is relying on the exemption in section 6.1 of NI 52-110, which exempts venture issuers, as defined in NI 52-110, from certain composition requirements of the audit committee and certain reporting obligations under NI 52-110 for their most recently completed financial year.

## Pre-Approval Policies and Procedures

See the Audit Committee Charter for specific policies and procedures for the engagement of non-audit services.

## External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audit services provided by MNP LLP to the Company to ensure auditor independence. Fees incurred with MNP LLP for audit and non-audit services in the years ended January 31, 2022 and January 31, 2021 are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended January 31, 2022	Fees Paid to Auditor in Year Ended January 31, 2021
Audit Fees <sup>(1)</sup>	\$61,380	\$49,220
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	\$1,200	\$1,200
All Other Fees <sup>(4)</sup>	Nil	Nil
Total	\$62,580	\$50,420

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the consolidated financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

### Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the opinion of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Company’s board of directors (the “**Board**”) facilitates its independent supervision over management by conducting quarterly reviews of the Company’s consolidated financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent Board members are David Velisek and Mark A. Phillips. The non-independent directors are Sina Habibi, Chief Executive Officer, Christos Kalafatis, Chief Medical Officer, Thomas Sawyer, Chief Operating Officer, Chief Financial Officer and Corporate Secretary, and Desmond M. Balakrishnan.

### Directorships

The current directors are board members of other reporting issuers as follows:

Name of Director	Name of Reporting Issuer	Exchange
David Velisek	Irwin Naturals Inc. (formerly Datinvest International Ltd.)	CSE
	Penbar Capital Ltd.	TSXV
	Trillium Gold Mines Inc. (formerly, Confederation Minerals Ltd.)	TSXV
Desmond M. Balakrishnan	Axcap Ventures Inc. (formerly Netcoins Holdings Inc.)	CSE
	Basin Uranium Corp. (formerly Black Shield Metals Corp.)	CSE
	Coloured Ties Capital Inc. (formerly GrowMax Resources Corp.)	TSXV
	Dominus Acquisitions Corp.	TSXV
	Eat Well Investment Group Inc.	CSE
	First Uranium Resources Ltd. (formerly Karam Minerals Inc.)	CSE
	Hempfusion Wellness Inc.	TSX
	Isracann Biosciences Inc.	CSE
	Northern Dynasty Minerals Ltd.	TSX/NYSE American
	Planet Ventures Inc.	TSXV
	Solution Financial Inc.	TSX
	Strategem Capital Corporation	TSXV

## **Orientation and Continuing Education**

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

## **Ethical Business Conduct**

The Board finds that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

## **Compensation**

The Independent directors of the Company are not paid any fees. The non-independent director of the Company, Messrs Habibi, Kalafatis and Sawyer are paid fees of \$21,365, \$17,092 and \$17,092 per month respectively. For further details, see *Statement of Executive Compensation – Venture Issuer* below.

## **Other Board Committees**

### Corporate Culture Committee

Effective on April 8, 2022, the Board formed a Corporate Culture Committee. The members of the Corporate Culture Committee is composed of: Mark Phillips (Chair), Christos Kalafatis, David Velisek and Sina Hababi.

The Corporate Culture Committee is responsible for promoting and driving the Company's intended culture. This Committee guarantees that the Company considers employees' perspectives when making decisions that affect them. This Committee may influence but does not manage the Company's overall culture, and executive leadership still holds this responsibility.

The aim of this Committee is to implement culture committee ideas, plan culture building exercises, improve the Company's culture and improve the working environment for the Company's employees.

As custodians of the Company's culture, this Committee encourages employee participation and ensures the Company's core values and principles reflect in daily work experience.

The Board has no committees other than the Audit Committee, the Compensation Committee and the Corporate Culture Committee.

## **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its audit committee.

## **STATEMENT OF EXECUTIVE COMPENSATION**

For the purposes of the below disclosure:

“**named executive officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

### Director and Named Executive Officer Compensation

During financial year ended January 31, 2022, based on the definition above, the NEOs of the Company were: Sina Habibi (CEO and Director), Thomas Sawyer (Chief Operating Officer, Chief Financial Officer and Corporate Secretary), Christos Kalafatis (Chief Medical Officer and Director) and Seyed-Madhi Khaligh-Razavi (Chief Scientific Officer). Mark A. Phillips, Director, resigned as Chief Compliance Officer on December 31, 2021. The directors of the Company who were not NEOs during financial year ended January 31, 2022 were David Velisek and Desmond M. Balakrishnan.

Effective October 12, 2021:

Denise Lok resigned as Chief Financial Officer and Corporate Secretary. Ravinder Kang resigned as a director of the Company. Thomas Sawyer, who currently serves as Chief Operating Officer, was appointed as Chief Financial Officer and Corporate Secretary and was appointed a director of the Company. Desmond M. Balakrishnan was appointed a director of the Company. Mr. Balakrishnan currently serves as the Company's legal counsel.

Effective December 31, 2021 Mark A. Phillips resigned as Chief Compliance Officer.

During financial year ended January 31, 2021, based on the definition above, the NEOs of the Company were: Sina Habibi (CEO and Director), Denise Lok (CFO and Corporate Secretary), Thomas Sawyer (Chief Operating Officer), Christos Kalafatis (Chief Medical Officer and Director), Mark A. Phillips (Chief Compliance Officer and Director), and Seyed-Madhi Khaligh-Razavi (Chief Scientific Officer). The directors of the Company who were not NEOs during financial year ended January 31, 2021 were David Velisek and Ravinder Kang.

### Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company who were not NEOs for the financial years ended January 31, 2022 and January 31, 2021. Options and compensation securities are disclosed under the heading “*Stock Option Plan and Other Compensation Plans*” in this Information Circular.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$) <sup>(1)</sup>	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Sina Habibi <sup>(1)</sup> CEO and Director	2022	222,410	1,236,523	Nil	Nil	Nil	1,458,933
	2021	206,665	Nil	Nil	Nil	Nil	206,665
Denise Lok <sup>(6)</sup> Former CFO and Corporate Secretary	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Sawyer <sup>(1)</sup> Chief Operating Officer, CFO, Corporate Secretary, and Director	2022	170,257	990,941	Nil	Nil	Nil	1,161,198
	2021	61,999	Nil	Nil	Nil	Nil	61,999
Christos Kalafatis <sup>(1)(2)</sup> Chief Medical Officer and Director	2022	170,396	990,941	Nil	Nil	Nil	661,337
	2021	61,999	Nil	Nil	Nil	Nil	61,999
Mark A. Phillips <sup>(1)(3)</sup> Director and Former Chief Compliance Officer	2022	70,795	Nil	Nil	Nil	Nil	70,795
	2021	61,999	Nil	Nil	Nil	Nil	61,999
David Velisek <sup>(4)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$) <sup>(1)</sup>	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Ravinder Kang <sup>(5)</sup> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Seyed-Madhi Khaligh-Razavi <sup>(1)</sup> Chief Scientific Officer	2022	143,628	990,941	Nil	Nil	Nil	1,134,569
	2021	61,999	Nil	Nil	Nil	Nil	61,999
Desmond M. Balakrishnan <sup>(7)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- On January 1, 2018 the Board approved payment of management's fees of £3,000 per month for Messrs. Kalafatis, Khaligh-Razavi, Phillips and Sawyer and £10,000 per month for Dr. Habibi. On February 24, 2021 the Board approved payment of management's fees of £7,467 per month for Messrs. Kalafatis and Sawyer, £5,600 per month for Messrs. Khaligh-Razavi, and £3,733 per month for Messrs. Phillips. On October 12, 2021 the Board approved payment of management's fees of £10,000 per month for Messrs. Kalafatis, Sawyer, and Khaligh-Razavi, and £12,500 per month for Messrs. Habibi. Dr. Habibi was appointed to the Board on December 21, 2017.
- Dr. Kalafatis was appointed to the Board and as Chief Medical Officer on December 21, 2017.
- Dr. Phillips was appointed to the Board and as Chief Compliance Officer on December 21, 2017 and resigned as Chief Compliance Officer on December 31, 2021.
- Mr. Velisek was appointed to the Board on December 11, 2015.
- Dr. Kang was appointed to the Board on December 21, 2017 and resigned on October 5, 2021.
- Ms. Lok resigned as Chief Financial Officer and Corporate Secretary on October 12, 2021.
- Mr. Balakrishnan was appointed to the Board on October 12, 2021.

## Stock Option Plan and Other Compensation Plans

### 10% "rolling" Stock Option Plan (Option-Based Awards)

The Company has in place a 10% rolling share option plan (the "**Option Plan**"). The Option Plan was filed on SEDAR at [www.sedar.com](http://www.sedar.com) on January 25, 2018. The Option Plan was last approved for continuation by shareholders of the Company at the Company's December 17, 2020 annual general meeting.

There are currently 5,990,300 outstanding stock options under the Option Plan.

The principal purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through options, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

The Option Plan provides that the number of Common Shares issuable under the Option Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of the Company's issued and outstanding Common Shares.

The Option Plan is administered by the board of directors of the Company or by a special committee of the directors appointed from time to time by the board of directors of the Company. The maximum term may not exceed ten (10) years from the date of grant.

Pursuant to the Option Plan, the Company may issue Options for such period and exercise price as may be determined by the Board, and in any case not exceeding ten years from the date of grant. The Company may issue Options equal to not more than 10% of the then issued and outstanding Common Shares. The minimum exercise price of an option granted under the Option Plan must not be less than the fair market value of a Common Share on the date such option is granted, and if the Common Shares are listed on a recognized stock exchange, will be subject to the minimum exercise price permitted by such stock exchange.

Unless accelerated in accordance with the Option Plan, all options, whether vested or unvested, shall terminate immediately upon the Company terminating the optionee's employment or contractual relationship with the Company or any related

company for cause. Options shall be terminated, to the extent not previously exercised, upon the occurrence of the first of the following events: (i) the expiration of the option as designated by the Board; (ii) in the case of termination of employment by the Company without cause, or the failure of a director standing for election to be re-elected, or the failure of the Company to renew a contract for services at the end of its terms (other than a contract or employment relating to Investor Relations Activities as such term is defined in the policies of the CSE), the date which is 90 days after the date of termination; (iii) in the case of a termination of a contract or employment relating to Investor Relations Activities, the date which is 30 days from the date termination; (iv) in case of the death of the optionee, the date which is one year after the death; and (v) in all other cases, the date of termination.

The foregoing summary of the Option Plan is not complete and is qualified in its entirety by reference to the Option Plan, which is available on the Company's SEDAR profile page at [www.sedar.com](http://www.sedar.com).

### ***10% "rolling" Restricted Share Unit Plan (Share-Based Awards)***

The Company has in place a restricted share unit plan which was last approved for continuation by the shareholders of the Company at the Company's annual general meeting held on June 27, 2019 (the "**RSU Plan**"). A copy of the RSU Plan is attached as Schedule B to the Information Circular for the Company's June 27, 2019 Annual General Meeting.

There are currently 4,382,000 outstanding restricted share units under the RSU Plan.

The RSU Plan was designed to provide certain directors, officers, consultants and other key employees (an "**Eligible Person**") of the Company and its related entities with the opportunity to acquire restricted share units ("**RSUs**") of the Company. The acquisition of RSUs allows Eligible Persons to participate in the long-term success of the Company thus promoting the alignment of Eligible Persons.

The following is a summary of the RSU Plan. Capitalized terms used but not defined have the meanings ascribed to them in the RSU Plan.

The RSU Plan allows the Company to grant RSUs awarding up to a maximum number of Common Shares that shall not exceed 10% of the Common Shares issued and outstanding from time to time, under and subject to the terms and conditions of the RSU Plan, which RSUs may be exercised by any holder of RSUs to receive an Award Payout of either: (a) one Common Share of the Company for each whole vested RSU; or (b) a cash amount equal to the Vesting Date Value as at the Trigger Date of such vested RSU. Fractional Common Shares will not be issued pursuant to the RSU Plan; instead, such Recipient entitled to a fractional Share is entitled to receive payment from the Company of cash value equal to the Vesting Date Value of such fractional Share.

#### ***Benefits of the RSU Plan***

The RSU Plan is designed to be a long term incentive for the directors, officers, consultants and other key employees of the Company. RSUs provide the Company with an additional compensation tool to help retain and attract highly qualified directors, officers, consultants and employees.

The Board may engage such consultants and advisors as it considers appropriate, including compensation or human resources consultants or advisors, to provide advice and assistance in determining the amounts to be paid under the RSU Plan and other amounts and values to be determined hereunder or in respect of the RSU Plan including, without limitation, those related to a particular fair market value.

#### ***Nature and Administration of the RSU Plan***

All Eligible Persons are eligible to participate in the RSU Plan (as "**Recipients**"), and the Company reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation as Recipients in the RSU Plan. Eligibility to participate as a Recipient in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board or its appointed committee, can, from time to time, award RSUs to Eligible Persons. RSUs will be credited to an account maintained for each Recipient on the books of the Company as of the award date. The number of RSUs to be credited to each Recipient's account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

Each award of RSUs vests on the date (each a "**Vesting Date**") that is the later of the Trigger Date (as defined in the RSU Plan) and the date upon which the relevant performance condition or other vesting condition set out in the award has been satisfied, subject to the requirements of the RSU Plan.

RSUs and all other rights, benefits or interests in the RSU Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a Recipient dies the legal representatives of the Recipient will be entitled to receive the amount of any payment otherwise payable to the Recipient in accordance with the provisions of the RSU Plan.

### *Credit for Dividends*

A Recipient's account will be credited with additional RSUs as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of additional RSUs to be credited to a Recipient's account is computed by multiplying the amount of the dividend per Share by the aggregate number of RSUs that were credited to the Recipient's account as of the record date for payment of the dividend, and dividing that number by the Fair Market Value. Note that the Company is not obligated to pay dividends on Common Shares.

### *Resignation, Termination, Leave of Absence or Death*

Generally, if a Recipient's employment or service is terminated, or if the Recipient resigns from employment with the Company, then any RSUs credited to him or her under the RSU Plan which have not vested on or before the separation date for the Recipient are forfeited, cancelled and terminated without payment.

In the event a Recipient is terminated without cause, unvested RSUs will immediately vest on the date of termination. If a Recipient's employment or service is terminated (otherwise than without cause), or the Recipient enters Retirement (as defined in the RSU Plan), dies, or suffers Total Disability (as defined in the RSU Plan), all unvested RSUs are automatically cancelled without compensation.

### *Control Change*

In the event of a Change of Control, all RSUs credited to an account of a Recipient that have not otherwise previously been cancelled pursuant to the terms of the RSU Plan shall vest on the date on which the Change of Control occurs (the "**Change of Control Date**"). Within thirty (30) days after the Change of Control Date, but in no event later than the Expiry Date, the Participant shall receive a cash payment equal in amount to: (a) the number of RSUs that vested on the Change of Control Date; multiplied by (b) the Fair Market Value on the Change of Control Date, net of any withholding taxes and other source deductions required by law to be withheld by the Company.

### *Adjustments*

In the event of any dividend paid in shares, share subdivision, combination or exchange of shares, merger, consolidation, spin-off or other distribution of Company assets to shareholders, or any other change in the capital of the Company affecting Common Shares, the Board will make adjustments with respect to the number of RSUs outstanding and any proportional adjustments as it, in its discretion, considers appropriate to reflect the change.

### *Vesting*

The Board has discretion to grant RSUs to Eligible Persons as it determines is appropriate, and can impose conditions on vesting as it sees fit in addition to the Performance Conditions if any. Vesting occurs on the date set by the Board at the time of the grant or if no date is set then September 1 of the third calendar year following the date of the grant (the "**Trigger Date**"), and the date upon which the relevant Performance Condition or other vesting condition has been satisfied, subject to the limitations of the RSU Plan.

The Board may accelerate the Trigger Date of any RSU at its election.

### *Limitations under the RSU Plan*

Unless Shareholder Approval is obtained, or unless permitted otherwise by the rules of the Stock Exchange:

- a. the maximum number of Common Shares which may be reserved for issuance to Related Persons (as a group) under the RSU Plan, together with any other Share Compensation Arrangement, may not exceed 10% of the issued Common Shares;
- b. the maximum number of RSUs that may be granted to Related Persons (as a group) under the RSU Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the issued Common Shares calculated on the Grant Date;
- c. the maximum number of RSUs that may be granted to any one Eligible Person under the RSU Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 5% of the issued Common Shares calculated on the Grant Date;
- d. the maximum number of RSUs that may be granted to a Consultant, within a 12-month period, may not result in a number of RSUs exceeding 2% of the number of Common Shares outstanding at the Grant Date, together with any other Share Compensation Arrangement, without the prior consent of the CSE; and
- e. grants of RSUs under the RSU Plan to any one Eligible Person may not exceed 1% of the issued Common Shares at the Grant Date and may not, in aggregate, exceed 2% of the issued Common Shares, within a 12-month period.



## Stock Options and Other Compensation Securities

### *Outstanding Compensation Securities*

The following table discloses the particulars of all compensation securities granted or issued to each NEO and Director in the most recently completed financial year ended January 31, 2022 for services provided or to be provided, directly or indirectly, to the Company.

Compensation Securities							
Name and position	Type of Compensation Security	Number of compensation securities, number of underlying securities, and percentage of class (#)	Date of issue or grant (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
Sina Habibi CEO and Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
	RSUs	800,000 17%	10/12/2021	N/A	N/A	N/A	09/30/2024
Denise Lok Former CFO and Corporate Secretary	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil	N/A	N/A	N/A	N/A	N/A
Thomas Sawyer COO, CFO, Corporate Secretary, and Director	Stock Options	350,000 6%	10/12/2021	0.67	0.70	0.53	10/12/2026
	RSUs	900,000 19%	10/12/2021	N/A	N/A	N/A	09/30/2024
Christos Kalafatis CMO and Director	Stock Options	350,000 6%	10/12/2021	0.67	0.70	0.53	10/12/2026
	RSUs	900,000 19%	10/12/2021	N/A	N/A	N/A	09/30/2024
Mark A. Phillips Director and former CCO	Stock Options	250,000 4%	10/12/2021	0.67	0.70	0.53	10/12/2026
	RSUs	800,000 17%	11/04/2021	N/A	N/A	N/A	09/30/2024
David Velisek Director	Stock Options	100,000 2%	10/12/2021	0.67	0.70	0.53	10/12/2026
	RSUs	50,000 1%	10/12/2021	N/A	N/A	N/A	09/30/2024
Ravinder Kang Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil	N/A	N/A	N/A	N/A	N/A
Seyed-Madhi Khaligh- Razavi CSO	Stock Options	50,000 1%	10/12/2021	0.67	0.70	0.53	10/12/2026
	RSUs	600,000 13%	10/12/2021	N/A	N/A	N/A	09/30/2024
Desmond M. Balakrishnan Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
	RSUs	Nil	N/A	N/A	N/A	N/A	N/A

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

There were no compensation securities exercised by any of the NEOs or directors of the Company during financial year ended January 31, 2021.

## Employment, Consulting and Management Agreements

### *Executive Employment Agreement with Sina Habibi, CEO and Director*

The Company entered into an executive employment agreement with Sina Habibi effective October 12, 2021 pursuant to which he was retained as CEO of the Company for a term of three years. Dr. Habibi's compensation in respect of such services included a signing bonus of £355,000 and a base salary of £150,000 per year. As additional compensation, the

Company has issued 800,000 RSUs and 350,000 Options to Dr. Habibi. See “*Stock Option Plan and Other Compensation Plans*”.

The employment agreement can be terminated by the Company with immediate effect if Dr. Habibi (i) commits any serious or repeated breach or non-observance of his obligations to the Company (which include an obligation not to breach statutory, fiduciary or common-law duties); (ii) has been guilty of any fraud or dishonesty or acted in any manner which, in the opinion of the Company, brings or is likely to bring Dr. Habibi or the Company into disrepute or is materially adverse to the interests of the Company; (iii) been declared bankrupt or have made an arrangement with or for the benefit of Dr. Habibi’s creditors, or if Dr. Habibi has a county court administration order made against him under the County Court Act 1984; or (iv) has been disqualified from acting as a director. If such termination occurs, Dr. Habibi will be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date.

Dr. Habibi may terminate the agreement at any time within 12 months of the occurrence of a change of control upon providing the Company with three month’s written notice. In the event of termination by Dr. Habibi pursuant to a change of control the Company will pay an amount equal to 24 months of Dr. Habibi’s compensation.

***Executive Employment Agreement with Thomas Sawyer, CFO, COO and Director***

The Company entered into an executive employment agreement with Thomas Sawyer effective October 12, 2021 pursuant to which he was retained as CFO of the Company for a term of three years. Dr. Sawyer’s compensation in respect of such services included a signing bonus of £285,000 and a base salary of £120,000 per year. As additional compensation, the Company has issued 900,000 RSUs and 350,000 Options to Dr. Sawyer. See “*Stock Option Plan and Other Compensation Plans*”.

The employment agreement can be terminated by the Company with immediate effect if Dr. Sawyer (i) commits any serious or repeated breach or non-observance of his obligations to the Company (which include an obligation not to breach statutory, fiduciary or common-law duties); (ii) has been guilty of any fraud or dishonesty or acted in any manner which, in the opinion of the Company, brings or is likely to bring Dr. Sawyer or the Company into disrepute or is materially adverse to the interests of the Company; (iii) been declared bankrupt or have made an arrangement with or for the benefit of Dr. Sawyer’s creditors, or if Dr. Sawyer has a county court administration order made against him under the County Court Act 1984; or (iv) has been disqualified from acting as a director. If such termination occurs, Dr. Sawyer will be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date.

Dr. Sawyer may terminate the agreement at any time within 12 months of the occurrence of a change of control upon providing the Company with three month’s written notice. In the event of termination by Dr. Sawyer pursuant to a change of control the Company will pay an amount equal to 24 months of Dr. Sawyer’s compensation.

***Executive Employment Agreement with Christos Kalafatis, CMO and Director***

The Company entered into an executive employment agreement with Christos Kalafatis effective October 12, 2021 pursuant to which he was retained as CMO of the Company for a term of three years. Dr. Kalafatis’ compensation in respect of such services included a signing bonus of £285,000 and a base salary of £120,000 per year. As additional compensation, the Company has issued 900,000 RSUs and 350,000 Options to Dr. Kalafatis. See “*Stock Option Plan and Other Compensation Plans*”.

The employment agreement can be terminated by the Company with immediate effect if Dr. Kalafatis (i) commits any serious or repeated breach or non-observance of his obligations to the Company (which include an obligation not to breach statutory, fiduciary or common-law duties); (ii) has been guilty of any fraud or dishonesty or acted in any manner which, in the opinion of the Company, brings or is likely to bring Dr. Kalafatis or the Company into disrepute or is materially adverse to the interests of the Company; (iii) been declared bankrupt or have made an arrangement with or for the benefit of Dr. Kalafatis’ creditors, or if Dr. Kalafatis has a county court administration order made against him under the County Court Act 1984; or (iv) has been disqualified from acting as a director. If such termination occurs, Dr. Kalafatis will be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date.

Dr. Kalafatis may terminate the agreement at any time within 12 months of the occurrence of a change of control upon providing the Company with three month’s written notice. In the event of termination by the employee pursuant to a change of control the Company will pay an amount equal to 24 months of Dr. Kalafatis’ compensation.

***Executive Employment Agreement with Seyed-Madhi Khaligh-Razavi, CSO***

The Company entered into an executive employment agreement with Seyed-Madhi Khaligh-Razavi effective October 12, 2021 pursuant to which he was retained as CSO of the Company for a term of three years. Mr. S Khaligh-Razavi’s compensation in respect of such services included a signing bonus of £285,000 and a base salary of £120,000 per year. As

additional compensation, the Company has issued 600,000 RSUs and 50,000 Options to Mr. Khaligh-Razavi. See “*Stock Option Plan and Other Compensation Plans*”.

The employment agreement can be terminated by the Company with immediate effect if Mr. Khaligh-Razavi (i) commits any serious or repeated breach or non-observance of his obligations to the Company (which include an obligation not to breach statutory, fiduciary or common-law duties); (ii) has been guilty of any fraud or dishonesty or acted in any manner which, in the opinion of the Company, brings or is likely to bring Mr. Khaligh-Razavi or the Company into disrepute or is materially adverse to the interests of the Company; (iii) been declared bankrupt or have made an arrangement with or for the benefit of Mr. Khaligh-Razavi’s creditors, or if Mr. Khaligh-Razavi has a county court administration order made against him under the County Court Act 1984; or (iv) has been disqualified from acting as a director. If such termination occurs, Mr. Khaligh-Razavi will be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date.

Mr. Khaligh-Razavi may terminate the agreement at any time within 12 months of the occurrence of a change of control upon providing the Company with three month’s written notice. In the event of termination by the employee pursuant to a change of control the Company will pay an amount equal to 24 months of Mr. Khaligh-Razavi’s compensation.

## **Oversight and description of director and NEO compensation**

### ***Elements of the Compensation Program***

The Company formed a Compensation Committee on September 29, 2021. The current members of the Company’s Compensation Committee are: Sina Habibi (Chair), Christos Kalafatis and David Velisek.

This Committee has the responsibility of determining the compensation for the directors and Chief Executive Officer. To determine compensation payable, this Committee will review compensation paid to directors and chief executive officers of other companies of similar size and stage of development and in similar industries, and then determine appropriate compensation reflecting the responsibilities and time and effort expended by each director and the Chief Executive Officer while taking into account the financial and other resources of the Company. In settling on the compensation, this Committee will annually review the performance of the Chief Executive Officer in light of the Company’s objectives and consider other factors that may have influenced achievement of the Company’s objectives.

The responsibilities relating to executive and director compensation, including reviewing and recommending compensation of the Company’s officers and employees and overseeing the Company’s base compensation structure and equity-based compensation program is performed by the Board as a whole. The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company’s senior management. The Board generally reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity and the performance of officers generally and in light of the Company’s goals and objectives.

The Company is a developing stage technology company with limited resources. The compensation for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Company’s shareholders. In the Board’s view, paying salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies is compiled from a variety of sources, including national and international publications.

The Board determines the compensation for the CEO. The compensation of the Company’s executives is determined by the Board after the recommendation of the CEO. In each case, the Board takes into consideration the prior experience of the executive, industry standards, competitive salary information on comparable companies of similar size and stage of development, the degree of responsibility and participation of the executive in the day-to-day affairs of the Company, and the Company’s available cash resources.

In the Board’s view, to attract and retain qualified and effective executives, the Company must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates.

The Board has assessed the Company’s compensation plans and programs for its executive officers to ensure alignment with the Company’s business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

*Philosophy and Objectives*

The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company’s shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its Option Plan (described above) and its RSU Plan (described above). Recommendations for senior management compensation are presented to the Board for review.

*Base Salary or Consulting Fees*

In the Board’s view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Base salary ranges for the executive officers were initially determined upon a review of companies within the same industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the oil and gas industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer’s overall performance and performance in relation to the achievement of corporate milestones and objectives.

**Related Party Transactions**

(a) During the years ended January 31, 2022 and 2021, the Company incurred the following expenses to related parties:

	<b>2022</b>	<b>2021</b>
Consulting fees – CEO and a director	\$ 833,933	\$ 206,665
Salaries and wages – CMO and a director	661,337	61,999
Salaries and wages – CSO	634,569	61,999
Consulting fees – CCO and a director	70,795	61,999
Consulting fees – COO, CFO and a director	661,198	61,999
Stock based compensation	3,136,935	-
Bonus-CEO, CMO, CSO, COO and CFO (1)	2,125,000	-
	<u>\$ 8,123,767</u>	<u>\$ 454,661</u>

(1) During the year ended January 31, 2022, the Company entered Long Term Incentive Plan (“Plan”) with the key management personnel. The board of the Company, in its sole discretion, may from time to time grant awards base on the performance criteria. The awards including:

- a cash bonus;
- if the participant exercises the option upon vesting of the grant, shares of the Company.

Each award will be subject to the terms and conditions of the Plan and such other terms and conditions as the Board may prescribe including, without limitation, eligibility conditions based on performance milestones, anniversary dates or the occurrence of certain events.

During the year ended January 31, 2022, the Company grant \$2,125,000 cash bonus (“First Performance Bonus”) to the key management personnel. The key management personnel signed a deferral letter with the Company and agreed to defer the payment of the First Performance Bonus to the date not earlier than April 30, 2023, which may be paid at any time in cash or common shares at the election of the Company.

(b) As at January 31, 2022 and 2021, the Company has the following balance owing to (due from) related parties:

	<b>January 31, 2022</b>	<b>January 31, 2021</b>
	<b>\$</b>	<b>\$</b>
CEO and a director (i)	1,288,204	(2,648)
CMO and a director (ii)	1,007,042	-
CSO (ii)	1,005,211	(12,291)
CCO and a director	38,281	5,260
COO, CFO and a director (ii)	1,147,049	8,671
	<hr/> 4,485,787	<hr/> 1,008

(i) As at January 31, 2022, \$625,000 bonus payable has been reclassified to long term liability.

(ii) As at January 31, 2022, \$500,000 bonus payable has been reclassified to long term liability.

Due to/from related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment except those included in (i) and (ii) above.

(c) On September 26, 2021, the Company entered a promissory note (Loan) with the CEO and Director of the Company. The Company loan to him for a total amount of \$218,617 with maturity to March 26, 2022 at an interest rate of 3.75% per annum, calculated and compounded monthly in arrears, and payable at the expiry of the term. The Loan will be secured by way of a hypothecation of 1,457,449 common shares of the Company, registered in the name of Sina Habibi’s spouse, with authority and direction hereby to sell such number of shares to satisfy repayment of the Loan plus the interest rate in the event of default by him (see Note 5 in financial statements).

### **Executive Compensation**

Except for the grant of incentive share options and restricted share unit awards to the NEOs and any compensation payable pursuant to an executive compensation agreement between the CEO or CFO and the Company, there are no arrangements under which NEOs were compensated by the Company during the two most recently completed financial years ending January 31, 2022 and January 31, 2021 for their services in their capacity as NEOs, directors or consultants.

### **Director Compensation**

The directors receive no cash compensation for acting in their capacity as directors of the Company.

Except for the grant to directors of share options, there are no arrangements under which directors were compensated by the Company during the two most recently completed financial years ending January 31, 2022 and January 31, 2021 for their services in their capacity as directors.

### **Long Term Incentive Plan**

Effective October 12, 2021, the Board adopted a long term incentive plan (the “LTI”) pursuant to which employees, directors and officers (“**Participants**”) may be granted an entitlement to a cash bonus or shares of the Company (“**Awards**”). The LTI was adopted to: (i) support the achievement of Company’s performance objectives; (ii) ensure that interests of employees and officers are aligned with the long term success of the Company; (iii) provide compensation opportunities to attract, retain and motivate employees and officers required for the long-term success of the Company; and (iv) furnish employees and officers with an additional incentive to achieve the goals of the Company.

The Board, in its sole discretion, may from time to time grant Awards based on a Participant’s personal performance and/or the financial performance of the Company, and that may be used to determine the vesting of the Awards, when applicable. Each Award will be subject to the terms and conditions of the LTI and such other terms and conditions as the Board may prescribe including, without limitation, eligibility conditions based on performance milestones, anniversary dates or the occurrence of certain events.

The Award will vest in the Participant immediately upon grant of the Award. Upon vesting in the Participant, the Participant will have the option to redeem shares of the Company in exchange for the cash Award.

Notwithstanding the term of an Award, on the termination of employment without cause or death of a Participant, the Award granted to the Participant will be deemed terminated and amounts owing under the Award will, within 90 days, be paid but only to the extent that any conditions to be satisfied to receive a full or partial payment have been achieved. The Board may, in its sole discretion, accelerate or change the payment eligibility of any Award that would otherwise expire on, or in the case of death did expire on, a date which is the earliest date on which a Participant ceases to be an employee, director or officer of the Company due to (a) the voluntary resignation or retirement of the Participant as an employee, director or officer, (b) the death of the Participant, or (c) the termination of the Participant's employment or role within the Company with or without cause.

During financial year ending January 3, 2022:

Christos Kalafatis: performance bonus of \$500,000 was paid out for completing its submission to the United States Food and Drug Administration (FDA) to allow marketing of the CognICA product for clinical use in the USA.

Seyed-Mahdi Khaligh-Razavi: performance bonus of \$500,000 was paid out for completing its submission to the United States Food and Drug Administration (FDA) to allow marketing of the CognICA product for clinical use in the USA.

Sina Habibi: performance bonus of \$625,000 was paid out for completing its submission to the United States Food and Drug Administration (FDA) to allow marketing of the CognICA product for clinical use in the USA.

Thomas Sawyer: performance bonus of \$500,000 was paid out for completing its submission to the United States Food and Drug Administration (FDA) to allow marketing of the CognICA product for clinical use in the USA.

### ***Bonus Incentive Compensation***

The Company's objective is to achieve certain strategic objectives and milestones. The Board considers executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

### ***Equity Participation***

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's existing stock option plan and its restricted share unit plan. Options and RSUs are granted to executives and employees taking into account a number of factors, including the amount and term of Options and RSUs previously granted, base salary and bonuses and competitive factors. The amounts and terms of Options and RSUs granted are determined by the Company's Compensation Committee based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company emphasizes the provisions of Option and RSU grants to maintain executive motivation.

### ***Compensation Review Process***

#### ***Risks Associated with the Company's Compensation Program***

The Company's directors have not considered the implications of any risks to the Company associated with decisions regarding the Company's compensation program. The Company intends to formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks.

The Company did not retain a compensation consultant during financial years ending January 31, 2022 and January 31, 2021.

#### ***Benefits and Perquisites***

The Company does not, as of the date of this Form, offer any benefits or perquisites to its NEOs other than potential grants of incentive stock options and RSUs as otherwise disclosed and discussed herein.

#### ***Hedging by Directors or NEOs***

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. The Company is not, however, aware of any directors or officers having entered into this type of transaction.

As of the date of this Form, entitlement to grants of incentive stock options under the Company's Stock Option Plan and restricted share unit awards under the Company's Restricted Share Unit Plan are the only equity security elements awarded by the Company to its executive officers and directors.

#### Pension Disclosure

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

#### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has in place a 10% rolling share option plan (the "Option Plan"). The Option Plan was filed on SEDAR at [www.sedar.com](http://www.sedar.com) on January 25, 2018.

The Company also has in place a 10% "rolling" restricted share unit plan (the "RSU Plan"). A copy of the RSU Plan is attached as Schedule B to the Information Circular for the Company's June 27, 2019 Annual General Meeting.

The following table sets out equity compensation plan information as at the end of the financial year ended January 31, 2022.

#### Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, RSUs	Weighted-average exercise price of outstanding options, RSUs	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Option Plan)	5,448,000 Options	\$0.33	2,492,256 Options
Equity compensation plans approved by securityholders - (the RSU Plan)	4,632,000 RSUs	N/A	3,308,256 RSUs
Total	10,080,000 Options and RSUs		5,800,512 Options and RSUs

#### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company or have any indebtedness that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, as of the end of the most recently completed financial year or as at the date hereof.

#### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the years ended January 31, 2022 and 2021, or has any interest in any material transaction in the current year or as of the date hereof other than as set out below.

#### Non-brokered private placement (February 11, 2022)

Seyed-Mahdi Khaligh-Razavi participated in the February 11, 2022 unit private placement. Mr. Razavi subscribed \$490,306 at \$0.55/unit (891,466 shares and 445,733 warrants). The warrant exercise price is \$0.85 and expires on February 11, 2025.

Sina Habibi participated in the February 11, 2022 unit private placement. Dr. Habibi subscribed \$609,488 at \$0.55/unit (1,108,160 shares and 554,080 warrants). The warrant exercise price is \$0.85 and expire on February 11, 2025.

#### Non-brokered private placement (February 24, 2022)

Thomas Sawyer participated in the February 24, 2022 unit private placement. Dr. Sawyer subscribed \$465,635 at \$0.55/unit (846,609 shares and 423,305 warrants). The warrant exercise price is \$0.85 and expire on February 24, 2025.

Christos Kalafatis participated in the February 24, 2022 unit private placement. Dr. Kalafatis subscribed \$491,400 at \$0.55/unit (893,454 shares and 446,727 warrants). The warrant exercise price is \$0.85 and expire on February 24, 2025.

#### Convertible Loan Agreement

On September 26, 2019, the Company entered into a convertible loan agreement with Sina Habibi and issued a convertible note (the “Note”) in the aggregate principal amount of \$164,110. The Note bears interest at 8% per annum and matures 12 months from the date of issuance (the “Maturity Date”). The Note can be converted into a number of units of the Company (the “Units”) at \$0.13. Each Unit will be comprised of one share and one share purchase warrant of the Company. Each warrant entitles the holder thereof to acquire one share at \$0.15 per share for two years. During the year ended January 31, 2022, \$164,110 of Notes with unpaid interest of \$25,358 were converted into the Company’s common shares and warrant and a total of 1,457,449 units were issued upon conversion. In addition, the warrants were exercised during the year ended January 31, 2022.

#### **MANAGEMENT CONTRACTS**

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

#### **ADDITIONAL INFORMATION**

Financial information is provided in the audited financial statements of the Company for the years ended January 31, 2022 and 2021 and in the related management, discussion and analysis filed on SEDAR at [www.sedar.com](http://www.sedar.com) and will be available at the Meeting.

Additional information relating to the Company is available as filed on [www.sedar.com](http://www.sedar.com) and upon request from the Company’s management at Suite 2250, 1055 West Hastings Street, Vancouver, BC, V6E 2E9, Tel: (604) 688-9588, or Fax: (604) 778-329-9361 or at [tom@cognativity.com](mailto:tom@cognativity.com). Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

#### **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

**APPROVED** by the Board at Vancouver, British Columbia, Canada, November 16, 2022.

#### **BY ORDER OF THE BOARD**

*“S/Sina Habibi”*

**Sina Habibi**  
**Chief Executive Officer**



**SCHEDULE “A”  
AUDIT COMMITTEE CHARTER**

**Cognetivity Neurosciences Ltd.**

**I. Purpose**

The main objective of the Audit Committee is to act as a liaison between the Board and the Company’s independent auditors (the “**Auditors**”) and to assist the Board in fulfilling its oversight responsibilities with respect to the financial statements and other financial information provided by the Company to its shareholders and others.

**II. Organization**

The Committee shall consist of three or more Directors and shall satisfy the laws governing the Company and the independence, financial literacy, expertise and experience requirements under applicable securities law, stock exchange requests and any other regulatory requirements applicable to the Audit Committee of the Company.

The members of the Committee and the Chair of the Committee shall be appointed by the Board. A majority of the members of the Committee shall constitute a quorum. A majority of the members of the Committee shall be empowered to act on behalf of the Committee. Matters decided by the Committee shall be decided by majority votes.

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a Director.

The Committee may form and delegate authority to subcommittees when appropriate.

**III. Meetings**

The Committee shall meet as frequently as circumstances require.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

The Company’s accounting and financial officer(s) and the Auditors shall attend any meeting when requested to do so by the Chair of the Committee.

**IV. Responsibilities**

- 1) The Committee shall recommend to the Board:
  - a) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company; and
  - b) the compensation of the external auditor.
- 2) The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- 3) The Committee must pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.
- 4) The Committee must review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.
- 5) The Committee must be satisfied that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements, other than the public disclosure referred to in subsection (4), and must periodically assess the adequacy of those procedures.

- 6) The Committee must establish procedures for:
  - a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- 7) An audit committee must review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.

**V. Authority**

The Committee shall have the following authority:

- a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- b) to set and pay the compensation for any advisors employed by the Committee, and
- c) to communicate directly with the external auditors.