

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

ASEP Medical Holdings Inc. (the “Company”)
420 – 730 View Street
Victoria, BC V8W 3Y7

Item 2 Date of Material Change

January 11, 2023 and January 19, 2023

Item 3 News Release

The news release dated January 20, 2023 was disseminated via CNW.

Item 4 Summary of Material Change

On January 11, 2023, the board of directors of the Company adopted a long-term performance incentive plan (the “Plan”), whereby the Company may grant restricted share units, performance share units or deferred share units (collectively, the “Awards”). The total common shares of the Company (each, a “Share”) available for the grant of Awards is equal to ten (10%) percent of the Shares issued and outstanding in the Company at the time of grant; provided, however, that if the Canadian Securities Exchange requires the number of Shares available for the grant of the Awards to be a lower percentage or a fixed number, then such lower percentage or such fixed number shall be the maximum Shares available for the grant of Awards.

The Plan is subject to shareholder approval which the Company plans to seek at its next annual general meeting which has not yet been scheduled. No Awards shall vest prior to the Company obtaining shareholder approval of the Plan.

On January 19, 2023, the Company granted an aggregate of 400,000 stock options (the “Options”) to purchase up to 400,000 common shares (each, a “Share”) of the Company exercisable at a price of \$0.36 per Share until January 18, 2033. Of these Options, 350,000 vest immediately and 50,000 Options vest as to 6,250 each quarter with the first amount vesting on March 1, 2023 and the last amount vesting on December 1, 2024. All of the Options and the Shares underlying such Options are subject to a hold period of four months and one day from the date of issuance. A director was granted 300,000 Options pursuant to this grant. None of the securities acquired pursuant to this grant will be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The material changes are fully described in Item 4 above and in the News Release filed on SEDAR at www.sedar.com.

5.1 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Timothy Murphy, Chief Operating Officer
Telephone: 778.600.0509

Item 9 Date of Report

January 20, 2023