ASEP MEDICAL HOLDINGS INC.
(the "**Company**")

STATEMENT OF EXECUTIVE COMPENSATION

Form 51-102F6V

Statement of Executive Compensation – Venture Issuers

General

"**Company**" means ASEP Medical Holdings Inc.;

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

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

(a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,

(b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

(c) the most highly compensated executive officer of the Company or any of its subsidiaries other than 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, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and

(d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

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

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

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[1] ($)	Value of All Other Compensation ($)	Total Compensation ($)
Dr. Robert E.W. Hancock[2] *CEO and Director and former Chief Operating Officer*	2023 2022	180,000 45,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	180,000 45,000
Jacqueline Tucker[3] *CFO*	2023 2022	90,000 22,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	90,000 22,500
Dr. Fadia Saad[4] *Chief Business Development Officer*	2023 2022	180,000 180,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	180,000 180,000
Dr. Evan Haney[5] *Chief Science Officer*	2023 2022	73,500 72,041	Nil 5,201	Nil Nil	Nil Nil	Nil Nil	73,500 77,242
Timothy Murphy[6] *Chief Operating Officer, Corporate Secretary and Director*	2023 2022	120,000 60,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	120,000 60,000

Rudy Mazzocchi[7] *Former Executive Chair, CEO and Director*	2023 2022	Nil 140,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Jennifer Gretchen[8] *Former CFO and Corporate Secretary*	2023 2022	Nil 112,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 112,500
Derrold Norgaard[9] *Director*	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Dr. Richard Heinzl[10] *Director*	2023 2022	72,000 18,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	72,000 18,000

(1) "Perquisites" include perquisites provided to a NEO or director that are not generally available to all employees and that, in aggregate, are: (a) $15,000, if the NEO or director's total salary for the financial year is $150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than $150,000 but less than $500,000, or (c) $50,000 if the NEO or director's total salary for the financial year is $500,000 or greater.

(2) Dr. Robert E.W. Hancock has been the CEO of the Company since June 30, 2022 and a director of the Company since November 9, 2021. He was the Chief Operating Officer from November 9, 2021 to July 12, 2022. Fees of $180,000 have been accrued for the year ended December 31, 2023 and $45,000 for period from October 1, 2022 to December 31, 2022, pursuant to the terms of the Hancock Agreement (as defined herein).

(3) Ms. Tucker has been the CFO of the Company since October 1, 2022. Fees of $90,000 per month have been accrued for the year ended December 31, 2023 of which $82,500 have been paid and $22,500 for the period October 1, 2022 to December 31, 2022 of which $18,000 were paid, pursuant to the terms of the Tucker Consulting Agreement (as defined herein).

(4) Dr. Fadia Saad has been the Chief Business Development Officer of the Company since November 9, 2021. Pursuant to the Saad Employment Agreement (as defined herein), Ms. Saad receives an annual fee of $180,000.

(5) Dr. Evan Haney has been the Chief Science Officer of the Company since November 9, 2021. Fees of $73,500 were paid during the year ended December 31, 2023 and $77,242 for the year ended December 31, 2022.

(6) Mr. Murphy has been the Chief Operating Officer of the Company since June 30, 2022, the Corporate Secretary of the Company since October 1, 2022 and a director of the Company since November 9, 2021. Fees of $120,000 were accrued for the year ended December 31, 2023 of which $100,000 were paid and $60,000 were paid for the period July 1, 2022 to December 31, 2022, pursuant to the terms of the Murphy Consulting Agreement (as defined herein).

(7) Mr. Mazzocchi was the Executive Chairman, CEO and a director of the Company from November 9, 2021 until July 12, 2022. Pursuant to the RAM Consulting Agreement (as defined herein), Mr. Mazzocchi indirectly received a consulting fee of $20,000 per month.

(8) Ms. Gretchen was the CFO and Corporate Secretary of the Company from November 9, 2021 to October 1, 2022. Pursuant to the Gretchen Agreement (as defined herein), Ms. Gretchen received an annual fee of $150,000.

(9) Mr. Norgaard has been a director of the Company since November 9, 2021.

(10) Dr. Heinzl has been a director of the Company since September 1, 2022. Fees of $72,000 were accrued for the year ended December 31, 2023 of which $66,000 were paid and $18,000 were paid for the period from October 1, 2022 to December 31, 2022 pursuant to a director services agreement.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the year ended December 31, 2023 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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**	**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**
Dr. Robert E.W. Hancock *CEO and Director*	Stock options	300,000	January 19, 2023	$0.36	$0.36	$0.21	January 19, 2033
	Vested RSUs	525,000	June 1, September 1 & December 31, 2023	$0.31/$0.185/$0.24	$0.28	$0.21	NA
	Unvested RSUs	175,000	March 1, 2023	NA	$0.28	$0.21	March 31, 2024
Jacqueline Tucker *CFO*	Vested RSUs	375,000	June 1, September 1 & December 31, 2023	$0.31/$0.185/$0.24	$0.28	$0.21	NA
	Unvested RSUs	125,000	March 1, 2023	NA	$0.28	$0.21	March 31, 2024

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Dr. Fadia Saad *Chief Business Development Officer*	Vested RSUs	375,000	June 1, September 1 & December 31, 2023	$0.31/$0.185/$0.24	$0.28	$0.21	NA
	Unvested RSUs	125,000	March 1, 2023	NA	$0.28	$0.21	March 1, 2024
Dr. Evan Haney *Chief Science Officer*	Vested RSUs	250,000	September 1 & December 31, 2023	$0.185/$0.24	$0.28	$0.21	NA
	Unvested RSUs	250,000	March 1, 2023	NA	$0.28	$0.21	March 1, 2024
Derrold Norgaard *Director*	Vested RSUs	300,000	June 1, September 1 & December 31, 2023	$0.31/$0.185/$0.24	$0.28	$0.21	NA
	Unvested RSUs	100,000	March 1, 2023	NA	$0.28	$0.21	March 1, 2024
Timothy Murphy *Chief Operating Officer, Corporate Secretary and Director*	Vested RSUs	375,000	June 1, September 1 & December 31, 2023	$0.31/$0.185/$0.24	$0.28	$0.21	NA
	Unvested RSUs	125,000	March 1, 2023	NA	$0.28	$0.21	March 1, 2024
Dr. Richard Heinzl *Director*	Vested RSUs	300,000	September 1 & December 31, 2023	$0.185/$0.24	$0.28	$0.21	NA
	Unvested RSUs	100,000	March 1, 2023	NA	$0.28	$0.21	NA

(1) The Shares commenced trading on the CSE on November 22, 2021.

As at December 31, 2023:

- Dr. Robert E.W. Hancock, the Chief Executive Officer and a director of the Company, owned an aggregate of 1,200,000 stock options, 900,000 of which are exercisable into one Share at a price of $0.50 per Share until November 18, 2031 and 300,000 are exercisable into one Share at a price of $0.36 per Share until January 19, 2033 and 175,000 RSUs entitling holder to be issued 175,000 common shares on March 1, 2024;
- Jacqueline Tucker, the Chief Financial Officer of the Company, owned an aggregate of 220,000 stock options, 200,000 of which is exercisable into one Share at a price of $0.30 per Share until October 1, 2032 and 20,000 of which is exercisable into one Share at a price of $0.50 per Share until November 18, 2031 and 125,000 RSUs entitling the holder to be issued 125,000 common shares on March 1, 2024;
- Dr. Fadia Saad, the Chief Business Development Officer of the Company, owned 400,000 stock options, each of which is exercisable into one Share at a price of $0.50 per Share until November 18, 2031 and 125,000 RSUs entitling the holder to be issued 125,000 common shares on March 1, 2024;
- Dr. Evan Haney, the Chief Science Officer of the Company, owns an aggregate 300,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of $0.50 per Share until November 18, 2031 and 250,000 RSUs entitling the holder to be issued 250,000 common shares on March 1, 2024 ;
- Derrold Norgaard, a director of the Company, owned an aggregate of 300,000 stock options, each of which is exercisable into one Share at a price of $0.50 per Share until November 18, 2031 and 100,000 RSUs entitling the holder to be issued 100,000 common shares on March 1, 2024;
- Timothy Murphy, the Chief Operating Officer, Corporate Secretary and a director of the Company, owned an aggregate of 500,000 stock options, 300,000 of which is exercisable into one Share at a price of $0.50 per Share until November 18, 2031 and 200,000 of which is exercisable into one Share at a price of $0.30 per Share until November 24, 2032 and 125,000 RSUs entitling the holder to be issued 125,000 common shares on March 1, 2024; and
- Dr. Richard Heinzl, a director of the Company, owned an aggregate of 200,000 stock options, each of which is exercisable into one Share at a price of $0.30 per Share until September 29, 2032 and 100,000 RSUs entitling the holder to be issued 100,000 common shares on March 1, 2024.

Exercise of Compensation Securities by Directors and NEOs

No stock options were exercised by directors and NEOs during the year ended December 31, 2023.

Stock Option Plans and Other Incentive Plans

Stock Option Plan

The Board adopted a stock option plan (the "**Plan**") on July 21, 2021 and last approved by the shareholders on May 31, 2022. The purpose of the Plan is to attract and retain directors, officers, employees and consultants of the Company and to motivate them to advance the interest of the Company by affording them with the opportunity to acquire an equity interest in the Company through the grant of stock options under the Plan. The Plan provides that the number of Shares available for issuance is subject to the restrictions imposed under applicable securities laws or CSE policies and, in any case, shall not exceed

10% of the total number of issued Shares (calculated on a non-diluted basis) at the time any stock option is granted.

The Plan will be administered by the Board, which will have full and final authority with respect to the granting of all options thereunder.

Stock Options may be granted under the Plan to such directors, officers, employees, or consultants of the Company and its affiliates, if any, as the Board may from time to time designate. The exercise price of option grants will be determined by the Board, but after listing on the CSE will not be less than the greater of the closing market prices of the underlying Shares on (i) the trading day prior to the date of grant of the stock options and (ii) the date of grant of the stock options. All options granted under the Plan will expire not later than the date that is ten years from the date that such options are granted. Stock Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) one month from date of termination other than for cause, or as set forth in each particular stock option agreement; (iii) three months from the date of disability; or (iv) twelve months from the date of death. Stock Options granted under the Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

As at June 26, 2024, there were 5,813,034 options outstanding under the Plan.

Upon request, the Company will promptly provide a copy of the Plan free of charge to a shareholder. A shareholder may contact the Company at its office at 420 – 730 View Street, Victoria, British Columbia V8W 3Y7, to request a copy.

Long Term Incentive Plan

The Board adopted the LTIP on January 11, 2023, subject to approval of the shareholders of the Company. The purpose of the LTIP is to align the interests of those directors, employees and consultants designated by the Board as being eligible to participate in the LTIP with those of the Company and its shareholders and to assist in attracting, retaining and motivating key employees by making a portion of the incentive compensation of participating employees directly dependent upon the achievement of key strategic, financial and operational objectives that are critical to ongoing growth and increasing the long-term value of the Company. In particular, the LTIP is designed to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of directors, key employees and consultants of the Company and its subsidiaries; (b) encouraging such directors, key employees and consultants to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such directors, key employees and consultants with the interests of the Company.

The following is a summary of the LTIP and is qualified in its entirety by the full text of the LTIP, a current copy of which is attached as Schedule B to the Information Circular. The LTIP remains subject to the approval of the CSE, and is subject to any modifications as may be required by the rules and policies thereof.

Shares Subject to the Equity Incentive Plan

The LTIP provides that the number of Shares available for issuance is subject to the restrictions imposed under applicable securities laws or CSE policies, subject to shareholder approval, and, in any case, shall not exceed 10% of the total number of issued Shares (calculated on a non-diluted basis) at the time any stock option is granted.

Description of the LTIP

The LTIP is available to directors, key employees and consultants of the Company, as determined by the Board. The maximum number of Common Shares available for issuance under the LTIP in respect of awards, together with the number of Common Shares available for issuance in respect of options under the LTIP, will be 10% of the issued and outstanding Common Shares of the Company at any time (being the number of Common Shares issuable pursuant to the LTIP), less any Common Shares required to be reserved with respect to options granted by the Company prior to the implementation of the LTIP.

So long as it is required by the rules and policies of the CSE or such other exchange upon which the Common Shares may be come listed for trading, (i) the total number of Common Shares issuable to any participant under the LTIP, within any one-year period, together with Common Shares reserved for issuance to such participant under all of the Company's other security-based compensation arrangements, shall not exceed 5% of the issued and outstanding Common Shares, (ii) the total number of Common Shares issuable to insiders under the LTIP, within any one-year period and at any time, together with Common Shares reserved for issuance to insiders under all of the Company's other security-based compensation arrangements, shall not exceed 10% of the issued and outstanding Common Shares, and (iii) the total number of Common Shares issuable to consultants performing investor relations activities, at any time, together with Common Shares reserved for issuance to consultants performing investor relations activities under all of the Company's other security-based compensation arrangements, shall not exceed 1% of the issued and outstanding Common Shares in any twelve month period. If the CSE requires the number of Common 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 Common Shares available for the grant of Awards. Except as otherwise provided in an applicable award agreement or as determined by the Board, neither awards nor any rights under any such awards shall be assignable or transferable other than pursuant to a will or by the laws of descent and distribution.

The LTIP provides for the issuance of "restricted share units", "performance share units" and "deferred share units".

Restricted Share Units

The LTIP provides that the Board may, from time to time, in its sole discretion, grant awards of restricted share units (each, an "**RSU**") to directors, key employees and consultants. Each RSU shall represent one Common Share on vesting. RSUs shall be subject to such restrictions as the Board may establish in the applicable award agreement. The typical restriction for RSUs is time based (i.e. vesting after a fixed period of time). All RSUs will vest and become payable by the issuance of Common Shares at the end of the applicable restriction period if all applicable restrictions have lapsed.

Restrictions on any RSUs shall lapse immediately and become fully vested to the participant upon a change of control. Upon the death of a participant, subject to the applicable award agreement, any RSUs that have not vested will be immediately forfeited and cancelled without payment, provided that any RSUs granted to such participant that had vested prior to the participant's death will accrue to the participant's estate in accordance with the LTIP. If a participant's employment is terminated for cause, any RSUs granted to the participant will immediately terminate without payment and be cancelled as of the termination date. If a participant's employment is terminated without cause, is voluntarily terminated by the participant or termination is due to the participant's retirement or disability, any RSUs granted to the participant will, subject to the applicable award agreement, immediately terminate without payment and be cancelled as of the termination date, provided, however, that any RSUs granted to such participant that had vested prior to the participant's termination without cause, voluntary termination, retirement or disability will accrue to the participant in accordance with the LTIP. In the case of directors, if a participant ceases to be a director for any reason, subject to the applicable award agreement, all RSUs granted to such participant will immediately terminate without payment and be cancelled, provided, however, that any RSUs granted to such participant that had vested prior to the participant ceasing to be a director will accrue to the participant in accordance with the LTIP. Where a consultant's service to the Company terminates for any reason, subject to the applicable award agreement and any other contractual commitments between the participant and the Company, all RSUs granted to such participant will immediately terminate without payment and be cancelled, provided, however, that any RSUs granted to such participant that had vested prior to the termination of the participant's service to the Company will accrue to the participant in accordance with the LTIP.

Performance Share Units

The LTIP provides that the Board may, from time to time, in its sole discretion, grant awards of performance share units (each, a "**PSU**") to key employees and consultants. Each PSU shall, contingent upon the attainment of the performance criteria within the applicable performance cycle, represent one Common Share, unless otherwise specified in the applicable award agreement. The performance criteria will be established by the Board which, without limitation, may include criteria based on the participant's individual performance and/or financial performance of the Company and its subsidiaries. Typical performance criteria could include gross revenues, EBITDA, share price performance, the attainment of a specified amount of financing or satisfaction of a participant's key performance indicators. The applicable award agreement may provide the Board with the right to revise the performance criteria during a performance cycle or after it has ended, if unforeseen events occur, including, without limitation, changes in capitalization, equity restructuring, acquisitions or divestitures, if such events have a substantial effect on the financial results of the Company and make the application of the performance criteria unfair absent a revision.

All PSUs will vest and become payable to the extent that the performance criteria are satisfied in the sole determination of the Board. PSUs granted to a participant shall become fully vested and payable to such participant within 95 days after the last day of the performance cycle or upon a change of control. Upon the death of a participant, subject to the applicable award agreement, all PSUs granted to the participant which, prior to the participant's death, had not vested, will immediately be forfeited and cancelled without payment, provided, however, that the Board may determine, in its discretion, the number of the participant's PSUs that will vest based upon the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed. If a participant's employment is terminated for cause, any PSUs granted to the participant will immediately terminate without payment and be cancelled as of the termination date. If a participant's employment is terminated without cause, by voluntary termination, or if the participant's employment terminates due to retirement or disability, all PSUs granted to the participant which, prior to such termination without cause, voluntary termination, retirement or disability, had not vested, will immediately be forfeited and cancelled without payment, provided, however, that the Board may determine, in its discretion, the number of the participant's PSUs that will vest based upon the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed. Where a consultant's service to the Company terminates for any reason, subject to the applicable award agreement and any other contractual commitments between the participant and the Company, all PSUs granted to such participant will immediately be forfeited and cancelled without payment, provided, however, that the Board may determine, in its discretion, the number of the participant's PSUs that will vest based upon the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Deferred Share Units

The LTIP provides that the Board may, from time to time, in its sole discretion, grant awards of deferred share units (each, a "**DSU**") to directors in lieu of director fees (but not to key employees or consultants). Directors become participants effective as of the date each is first appointed or elected as a director and cease to be participants at the time they cease to be a director for any reason. The number of DSUs to be granted to a participant shall be calculated by dividing the amount of fees selected by the director by the market price on the grant date. The market price is defined in the LTIP as the five-day weighted average closing price of the Common Shares on the immediately preceding five trading days prior to the grant date.

Each participant shall be entitled to receive, subsequent to the effective date that the participant ceases to be a director for any reason or any earlier vesting period(s) set forth in the applicable award agreement, either (a) that number of Common Shares equal to the number of DSUs granted to such participant, or (b) a cash payment in an amount equal to the market price of the DSUs granted to such participant on the trading day following the day that the participant ceases to be a director, net of applicable withholdings, and subject to adjustments if the value of a DSU is determined during applicable black-out periods. Upon the death of a participant, such participant's estate shall be entitled to receive, within 120 days, a cash payment or Common Shares that would otherwise have been payable upon such participant ceasing to be a director.

As of June 26, 2024, there were 100,000 RSUs that have been granted, and no PSUs and DSUs outstanding.

Upon request, the Company will promptly provide a copy of the LTIP free of charge to a shareholder. A shareholder may contact the Company at its office at 420 – 730 View Street, Victoria, British Columbia V8W 3Y7, to request a copy.

Employment, Consulting and Management Agreements

Other than disclosed below, the Company has not entered into written employment or consulting agreements with any of its executive officers.

Employment Agreement with Dr. Fadia Saad

On March 1, 2021, ASEP Medical Inc. ("**ASEP**"), the Company's subsidiary, entered into an employment agreement with Dr. Fadia Saad (the "**Saad Employment Agreement**"), pursuant to which Dr. Saad agreed to provide certain management services to ASEP, including but not limited to acting as Chief Business Development Officer of ASEP. As consideration for the services to be provided by Dr. Saad, ASEP agreed to pay a monthly fee of $15,000, less statutory deductions. Dr. Saad is also eligible for an annual performance bonus up to 20% of base salary determinable at the absolute discretion of the ASEP Board.

The Saad Employment Agreement may be terminated: (a) at any time by Dr. Saad by giving a minimum of thirty (30) days written notice to ASEP; (b) without notice or payment in lieu of notice, for sufficient cause by ASEP at any time; or (c) at any time by ASEP without the requirement to show cause, provided ASEP pays Dr. Saad an amount equal to six (6) months' salary in the event of termination before the end of a 3-

year period. Thereafter, severance will be additional to six (6) month's salary and commensurate to years of service and consistent with legislation as may be in effect at the time of termination.

Employment Agreement with Jennifer Gretchen

On March 1, 2021, ASEP entered into an employment agreement (the "**Gretchen Agreement**") with Jennifer Gretchen, pursuant to which Ms. Gretchen agreed to provide certain management services to ASEP, including but not limited to acting as CFO of ASEP. As consideration for the services to be provided by Ms. Gretchen, ASEP agreed to pay a monthly fee of $12,500. Ms. Gretchen is also eligible for an annual performance bonus up to 25% of base salary determinable at the absolute discretion of the ASEP Board.

The Gretchen Employment Agreement may be terminated: (a) at any time by Ms. Gretchen by giving a minimum of thirty (30) days written notice to ASEP; (b) without notice or payment in lieu of notice, for sufficient cause by ASEP at any time; or (c) at any time by ASEP without the requirement to show cause, provided ASEP pays Ms. Gretchen an amount equal to six (6) months' salary in the event of termination before the end of a 3-year period. Thereafter, severance will be additional to six (6) month's salary and commensurate to years of service and consistent with legislation as may be in effect at the time of termination.

Consulting Agreement with RAM Advisors, Inc.

On March 1, 2021, ASEP entered into a consulting agreement with RAM Advisors, Inc. (the "**RAM Consulting Agreement**"), pursuant to which RAM Advisors, Inc. agreed to provide, through its principal Rudy Mazzocchi, certain management services to ASEP, including but not limited to acting as CEO and Executive Chairman of ASEP. As consideration for the services to be provided by RAM Advisors, Inc., ASEP agreed to pay a monthly fee of $20,000. RAM Advisors, Inc. is also eligible for an annual performance bonus up to 25% of base salary determinable at the absolute discretion of the ASEP Board.

The RAM Consulting Agreement may be terminated: (a) at any time by RAM Advisors, Inc. by giving a minimum of thirty (30) days written notice to ASEP; or (b)at any time by ASEP by giving a minimum of six (6) months written notice to RAM Advisors, Inc. The RAM Consulting Agreement was terminated on June 30, 2022.

Employment Agreement with Dr. Evan Haney

On June 1, 2021, ASEP entered into an employment agreement (the "**Haney Agreement**") with Dr. Evan Haney, pursuant to which Dr. Haney agreed to provide certain management services to ASEP, including but not limited to acting as Chief Scientific Officer of ASEP Medical, Inc. As consideration for the services to be provided by Dr. Haney, ASEP agreed to pay an annual salary of CDN$70,000, which was increased by 5% in 2022 to an annual salary of CDN$73,500.

The Haney Agreement may be terminated: (a) at any time by Dr. Haney by giving a minimum of thirty (30) days written notice to ASEP; (b) without notice or payment in lieu of notice, for sufficient cause by ASEP at any time; or (c) at any time by ASEP without the requirement to show cause, provided ASEP pays Dr. Haney an amount equal to six (6) months' salary in the event of termination before the end of a 3-year period. Thereafter, severance will be additional to six (6) month's salary and commensurate to years of service and consistent with legislation as may be in effect at the time of termination.

Consulting agreement with Murphy Enterprises Inc.

On June 30, 2022, ASEP entered into a consulting agreement (the "**Murphy Consulting Agreement**") with Murphy Enterprises Inc. ("**Murphy**"), pursuant to which Murphy agreed to provide certain management services to ASEP as the Chief Operating Officer. The Murphy Consulting Agreement can be terminated at any time by Murphy by giving a thirty days written notice to the Company or by the Company by giving a minimum of 6 months written notice to Murphy. As consideration for the services to be provided by Murphy, ASEP agreed to pay a monthly fee of $10,000, plus GST. In addition, ASEP will grant Murphy 200,000 stock options exercisable at $0.25 per option.

Consulting agreement with J.M. Tucker Professional Corporation

On October 1, 2022, ASEP entered into a consulting agreement (the "**Tucker Consulting Agreement**") with J.M. Tucker Professional Corporation ("**Tucker**"), pursuant to which Tucker agreed to provide certain management services to ASEP as the Chief Financial Officer. The Tucker Consulting Agreement can be terminated at any time by Tucker by giving a thirty days written notice to the Company or by the Company by giving a thirty days written notice to Tucker.

As consideration for the services to be provided by Tucker, ASEP agreed to pay a monthly fee of $7,500, which shall be paid in the following manner: (i) $6,000 plus GST, and (ii) $1,500 as a transfer or all of, or a fraction of, a particular security or share of the Company, or as a contribution to the purchase of such a particular security of share, up to a maximum of $60,000 and will automatically apply at the end of each calendar year towards the purchase of all vested options and the underlying security or share. In addition, ASEP granted Tucker 200,000 stock options exercisable at $0.30 per option.

Employment Agreement with Dr. Robert E.W. Hancock

On October 1, 2022, ASEP entered into an employment agreement (the "**Hancock Agreement**") with Dr. Robert E.W. Hancock, pursuant to which Dr. Hancock agreed to provide certain management services to ASEP, including but not limited to acting as Chief Executive Officer of ASEP. As consideration for the services to be provided by Dr. Hancock, ASEP agreed to pay an annual salary of $180,000 and until the Company completes a financing of at least $2,000,000, the Company has the right to defer payment of up to 100% of the salary. One day after the end of the deferred salary, the Company shall pay the full salary plus a management bonus of $45,000. Dr. Hancock is also eligible for a bonus, the amount of which will be determined by the Board in its discretion. In addition, the Company will grant 300,000 options at a price of $0.36 per option.

The Hancock Agreement may be terminated: (a) at any time by Dr. Hancock by giving a minimum of four weeks written notice to ASEP Medical, Inc.; (b) without notice or payment in lieu of notice, for sufficient cause by ASEP at any time; or (c) at any time by ASEP without the requirement to show cause, provided ASEP pays Dr. Hancock an amount equal to six (6) months' salary in the event of termination.

Oversight and Description of Director and NEO Compensation

The Board will be responsible for setting the overall compensation strategy of the Company and administering the Company's executive compensation program with input from the CEO of the Company in respect of all executive officers other than the CEO. As part of its mandate, the Board will approve the remuneration of the Company's executive officers, including any NEOs of the Company. The Board will also be responsible for reviewing the Company's compensation policies and guidelines generally.

The objective of the Company's executive compensation program will be to motivate, reward, and retain management talent that is needed to achieve the Company's business objectives. The compensation program is designed to ensure that compensation is competitive with other companies of similar size and is commensurate with the experience, performance, and contribution of the individuals involved and the overall performance of the Company. In evaluating performance, consideration is given to the Company's long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual's performance and achievements. Compensation for directors of the Company, if any, will also be determined by the Board on an annual basis.

Compensation Objectives and Principles

The compensation program for the senior management of the Company will be designed to ensure 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 will employ a combination of base salary, bonus compensation and equity participation through its Plan. The Company will not provide any retirement benefits for its directors or officers.

Elements of Compensation

The executive compensation program is comprised of three principal components: (i) base salaries; (ii) bonuses, and (iii) an option plan which will be designed to provide a combination of cash and equity-based compensation to effectively retain and motivate the executive officers to achieve the Company's goals and objectives. Each component of the executive compensation program is described below.

Base Salary

Executive officers are paid a base salary to compensate them for providing the leadership and specific skills needed to fulfill their responsibilities. The payment of base salaries is an important component of the intended compensation program and serves to attract and retain qualified individuals. The base salaries for the executive officers will be reviewed annually by the Board and will be determined by considering the contributions made by the executive officers, how their compensation levels related to compensation packages that would be achievable by such officers from other opportunities, and publicly available salary data. Salaries of the executive officers will not be determined based on benchmarks or a specific formula.

Bonus Incentive Compensation

The Board may from time to time approve bonus payments to reward executive officers for their contribution to the achievement of annual corporate goals and objectives. Bonuses will also serve as a retention incentive for executive officers so that they remain in the employ of the Company. The payment of bonuses is consistent with the intended overall objective of the Company to reward performance.

Equity Participation

Equity participation will be accomplished through the Plan and the LTIP. Stock Options and other compensation securities may be granted to executives and employees considering a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options and other compensation securities granted are determined by the Board.

Compensation Process

The Company does not have a compensation committee or a formal compensation policy. The Company will rely solely on the directors to determine the compensation of any NEOs. In determining compensation, the directors will consider industry standards and the Company's financial situation, but the Company will not have any formal objectives or criteria. The performance of each executive officer will be informally monitored by the directors, having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

In establishing compensation for executive officers, the Board as a whole seeks to accomplish the following goals:

- to recruit and subsequently retain highly qualified executive officers by competitive offering overall compensation;
- to motivate executives to achieve important corporate and personal performance objectives and reward them when such objectives are met; and
- to align the interests of executive officers with the long-term interests of Shareholders through participation in the Plan and the LTIP.

When considering the appropriate executive compensation to be paid to our officers, the Board will have regard to a number of factors including: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations generally; and (v) available financial resources.

Option-Based Awards

Long-term incentives in the form of stock options are intended to align the interests of the Company's directors and executive officers with those of the Shareholders and to provide a long-term incentive to reward those individuals for their contribution to the generation of shareholder value, while reducing the burden of cash compensation that would otherwise be payable by the Company.

The Plan and the LTIP is administered by the Board. In determining the number of incentive stock options to be granted to the NEOs, the Board will have regard to several considerations including previous grants of stock options and the overall number of outstanding stock options relative to the number of outstanding Shares, as well as the degree of effort, time, responsibility, ability, experience and level of commitment of the executive officer. For a detailed discussion of the Plan and the LTIP, please see "*Stock Option Plans and Other Incentive Plans*" above.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Plan and the LTIP, being the Company's only equity compensation plans, as of December 31, 2023:

Plan Category	Number of shares to be issued upon exercise of outstanding options [(1)]	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by Shareholders	5,813,034	$0.45	1,605,374
Equity compensation plans not approved by Shareholders	Nil	Nil	Nil
Total	**5,813,034**	**$0.45**	**1,605,374**

(1) Other than as disclosed herein, the Company does not have any warrants or rights outstanding under any equity compensation plans.