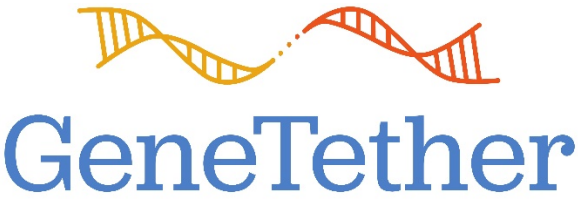
*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States of America, its territories and possessions, any state of the United States or the District of Columbia (collectively, the "**United States**") or U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act ("**U.S. Persons**")), unless exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws are available. This Prospectus (as defined below) does not constitute an offer to sell or a solicitation of an offer to buy any of the securities within the United States or to, or for the account or benefit of, U.S. Persons. See "Plan of Distribution".*

PROSPECTUS

Initial Public Offering March 21, 2022



GENETETHER THERAPEUTICS INC.

C$4,500,000 (minimum)
(minimum 7,500,000 Units)

C$6,000,000 (maximum)
(maximum 10,000,000 Units)

C$0.60 Per Unit

This prospectus (the "**Prospectus**") qualifies the distribution (the "**Offering**") of a minimum of 7,500,000 units (the "**Units**") of GeneTether Therapeutics Inc. (the "**Company**", "**us**" or "**we**") for minimum gross proceeds of C$4,500,000 (the "**Minimum Offering**") and up to a maximum of 10,000,000 Units for maximum gross proceeds of up to C$6,000,000 (the "**Maximum Offering**"). The offering price of C$0.60 per Unit (the "**Offering Price**") was determined by negotiation between the Company and the Agent (as defined herein). Each Unit consists of one common share of the Company (a "**Unit Share**") and one common share purchase warrant of the Company (a "**Unit Warrant**"). Each Unit Warrant will entitle the holder, subject to the terms and conditions of the Warrant Indenture (as defined herein) to acquire one additional common share of the Company (a "**Warrant Share**") at a price of C$0.72 per Warrant Share for a period of 36 months following the Closing Date (as defined herein). This Prospectus qualifies the distribution of the Unit Shares and Unit Warrants comprising the Units.

Pursuant to an agency agreement dated March 21, 2022 (the "**Agency Agreement**") between the Company and Research Capital Corporation (the "**Agent**"), as the lead agent and sole bookrunner, the

Units are being offered on a "commercially reasonable efforts" basis in the provinces of British Columbia, Alberta and Ontario.

	Price to the Public[1]	Agent's Commission[2][5]	Net Proceeds to Company[3]
Per Unit	C$0.60	C$0.048	C$0.552
Minimum Offering[4]	C$4,500,000	C$360,000	C$4,140,000
Maximum Offering[4]	C$6,000,000	C$480,000	C$5,520,000

Notes:

(1) The Offering Price has been determined by negotiation between the Company and the Agent. See "*Plan of Distribution*".

(2) Pursuant to the terms and conditions of the Agency Agreement, the Agent will receive a fee (the "**Commission**") equal to the sum of (i) 8.0% of the gross proceeds of the Offering (including any gross proceeds raised on exercise of the Agent's Option (as defined below)), other than the gross proceeds raised from sales to "president's list" purchasers (such sales, the "**President's List Sales**"), and (ii) 4.0% of the gross proceeds raised from the President's List Sales. The Commission will be payable in cash and will be paid from the proceeds of the Offering. The above table assumes that no proceeds are raised from President's List Sales. The Agent will also receive, as additional compensation, compensation warrants (the "**Compensation Warrants**") to purchase that number of Units as is equal to 8.0% of the Units sold pursuant to the Offering (including any Agent's Option Units sold pursuant to the exercise of the Agent's Option), but excluding the Units sold pursuant to President's List Sales. In connection with the President's List Sales, the Agent will receive Compensation Warrants to purchase that number of Units that is equal to 4.0% of the Units sold pursuant to the President's List Sales. Each Compensation Warrant is exercisable to purchase one Unit (a "**Compensation Unit**") at the Offering Price for a period of 36 months from the Closing Date. Each Compensation Unit consists of one Common Share (a "**Compensation Unit Share**") and one Common Share purchase warrant of the Company (a "**Compensation Unit Warrant**"). Each Compensation Unit Warrant will entitle the holder to purchase one additional Common Share (a "**Compensation Unit Warrant Share**") at a price of C$0.72 per Compensation Unit Warrant Share for a period of 36 months following the Closing. The Company has also agreed to pay the Agent a management fee (the "**Management Fee**") equal to 1.0% of the gross proceeds of the Offering (including any exercise of the Agent's Option) and the Concurrent Private Placement (as defined herein). The Management Fee is payable in cash from the proceeds of the Offering. In addition, the Company has agreed to reimburse the Agent for certain expenses, including legal fees, incurred in respect of the Offering. This Prospectus also qualifies the distribution of the Compensation Warrants. See "*Plan of Distribution*".

(3) After deducting the Commission but before deducting the expenses of the Offering and the Concurrent Private Placement, which are estimated to be approximately C$550,000 and will be paid by the Company out of the proceeds of the Offering. See "*Plan of Distribution*".

(4) The Agent has been granted an over-allotment option (the "**Agent's Option**"), exercisable, in whole or in part, at the sole discretion of the Agent, for a period of 30 days from the Closing Date, to increase the size of the Offering by up to 15% (1,500,000 Units (the "**Agent's Option Units**") assuming the Maximum Offering is fully subscribed) at the Offering Price to cover the Agent's over-allotment position, if any, and for market stabilization purposes. The Agent's Option may be exercised to acquire (i) up to 1,500,000 additional Agent's Option Units at the Offering Price, (ii) up to 1,500,000 additional Unit Shares at a price of C$0.507 per Unit Share (the "**Agent's Option Shares**"), (iii) up to 1,500,000 additional Warrants at a price of C$0.093 per Warrant (the "**Agent's Option Warrants**"), or (iv) any combination of Agent's Option Units, Agent's Option Shares and Agent's Option Warrants, provided that the aggregate number of Agent's Option Shares which may be issued under the Agent's Option does not exceed 1,500,000 and the aggregate number of Agent's Option Warrants which may be issued under the Agent's Option does not exceed 1,500,000. The Agent's Option Warrants will have the same terms as the Warrants. See: "*Plan of Distribution*". If the Agent's Option is exercised in full and assuming the Minimum Offering is completed, the total "Price to the Public", "Agent's Commission" and "Net Proceeds to the Company" will be C$5,175,000, C$414,000 and C$4,761,000, respectively (assuming no proceeds are raised from President's List Sales). If the Agent's Option is exercised in full and assuming the Maximum Offering is fully subscribed, the total "Price to the Public", "Agent's Commission" and "Net Proceeds to the Company" will be C$6,900,000,

C$552,000 and C$6,348,000, respectively (assuming no proceeds are raised from President's List Sales). This Prospectus qualifies the distribution of the Agent's Option and the Agent's Option Units. A purchaser who acquires Units forming part of the Agent's over-allocation position acquires those Units under this Prospectus, regardless of whether the over-allotment position is ultimately filled through the exercise of the Agent's Option or secondary market purchases. See "*Plan of Distribution*".

The Company intends to complete a concurrent non-brokered private placement (the "**Concurrent Private Placement**") of up to approximately 7,500,000 Units (the "**Private Placement Units**") at the Offering Price for gross proceeds of up to approximately C$4,500,000. The Concurrent Private Placement will be completed immediately prior to the closing of the Offering. This Prospectus does not qualify the distribution of the Private Placement Units. The Unit Shares and Unit Warrants underlying the Private Placement Units will be subject to a statutory four-month hold period from the closing of the Concurrent Private Placement. The closing of the Concurrent Private Placement is subject to CSE approval. Gross proceeds raised by the Company under the Concurrent Private Placement, will be aggregated with proceeds raised under the Offering in determining whether the Minimum Offering has been achieved.

The Company has agreed to pay the Agent a cash fee (the "**Corporate Finance Fee**") equal to up to $167,000, subject to adjustment. In addition, the Agent will receive up to 279,000 Compensation Warrants (the "**Corporate Finance Fee Compensation Warrants**"), subject to adjustment, to purchase that number of Units (the "**Corporate Finance Fee Compensation Warrant Units**") at the Offering Price for a period of 36 months from the Closing. Each Corporate Finance Fee Compensation Warrant Unit consists of one Common Share (a "**Corporate Finance Fee Compensation Unit Share**") and one Common Share purchase warrant of the Company (a "**Corporate Finance Fee Compensation Unit Warrant**"). Each Corporate Finance Fee Compensation Unit Warrant will entitle the holder to purchase one additional Common Share (a "**Corporate Finance Fee Compensation Unit Warrant Share**") at a price of C$0.72 per Corporate Finance Fee Compensation Unit Warrant Share for a period of 36 months following the Closing. See "*Plan of Distribution"*.

The completion of the Offering is subject to a minimum subscription of 7,500,000 Units for aggregate gross proceeds of $4,500,000 (inclusive of subscriptions under the Concurrent Private Placement). If subscriptions representing the Minimum Offering are not received within 90 days of the issuance of a receipt for the final Prospectus, or if a receipt has been issued for an amendment to the final Prospectus, within 90 days of the issuance of such receipt and in any event not later than 180 days from the date of the issuance of a receipt for the final Prospectus, the Offering will cease. Unless otherwise specified or the context requires otherwise, references herein to "**Units**", includes Agent's Option Units, "**Unit Shares**" includes Agent's Option Shares, and "**Unit Warrants**" includes Agent's Option Warrants. The Agent, pending closing of the Offering, will hold in trust all subscription funds received pursuant to the provisions of the Agency Agreement. If the Offering has not closed on or before 90 days from the issuance of a receipt for the final Prospectus, the Offering will be discontinued and all subscription monies will be returned to purchasers by the Agent without interest or deduction, unless an amendment to the Prospectus is filed and a receipt has been issued for such amendment. See "*Plan of Distributio*n". The Offering is expected to close on or about March 29, 2022 (the "**Closing Date**") or such other date as the Company and the Agent may agree and provided such date is not more than 90 from the issuance of a receipt for the final Prospectus.

The Offering is not underwritten or guaranteed by any person or agent. The price of the Units was determined by negotiation between the Company and the Agent. The Agent hereby conditionally offers

the Units to the public in each of the provinces of British Columbia, Alberta, and Ontario on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued and sold by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal and tax matters on behalf of the Company by Pushor Mitchell LLP and Ryan Shewchuk Professional Corporation and on behalf of the Agent by Fasken Martineau DuMoulin LLP. See "*Plan of Distribution*".

The following table sets out the maximum number of securities issuable to the Agent assuming the Maximum Offering:

Agent's Position	**Maximum Size or Number of Securities Available[4]**	**Exercise Period or Acquisition Date**	**Exercise Price**
Agent's Option[1]	1,500,000 Agent's Option Units (1,500,000 Agent's Option Shares 1,500,000 Agent's Option Warrants, or any combination thereof)	30 days from the Closing	C$0.60 per Agent's Option Unit C$0.507 per Agent's Option Share C$0.093 per Agent's Option Warrant
Compensation Warrants[2][3]	920,000 Compensation Warrants (920,000 Compensation Unit Shares and 920,000 Compensation Unit Warrants)	36 months from the Closing Date	C$0.60
Compensation Unit Warrants	920,000 Compensation Unit Warrant Shares	36 months from the Closing Date	C$0.72 per Compensation Unit Warrant Share

Notes:

(1) This Prospectus also qualifies the distribution of the Agent's Option, the Agent's Option Units, the Agent's Option Shares and Agent's Option Warrants. See "*Plan of Distribution*".

(2) This Prospectus also qualifies the distribution of the Compensation Warrants. See "Plan of Distribution".

(3) Each Compensation Warrant is exercisable to acquire one Compensation Unit at the Offering Price for a period of 36 months following the Closing Date. This Prospectus qualifies the distribution of the Compensation Units. See "*Plan of Distribution*".

(4) Assumes the Agent's Option is exercised in full.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary

market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*".

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the U.S.

The CSE has conditionally accepted the listing of the Common Shares. Listing will be subject to the Company fulfilling all of the requirements of the CSE, including meeting all minimum listing requirements. The Company has not applied and does not intend to list the Unit Warrants. See "*Plan of Distribution*".

An investment in the Units is speculative and involves a high degree of risk and should only be made by persons who can afford the total loss of their investment. Prospective investors should consider certain risk factors in connection with an investment in the Company. See "*Cautionary Note Regarding Forward-Looking Information*" and "*Risk Factors*".

Each of: (i) William Garner, a director of the Company, (ii) Daren Graham, Chairman of the Company, (iii) Andre Pereira Fraga Figueiredo, a director of the Company, and (iv) R. Geoffrey Sargent, Chief Scientific Officer of the Company reside outside of Canada and have appointed the following agent for service of process:

Name of Agent	Address of Agent
Pushor Mitchell LLP	301 – 1665 Ellis Street, Kelowna British Columbia, Canada, V1Y 2B3

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See "*Enforcement of Judgments Against Foreign Persons*".

The Company is not a "related issuer" nor a "connected issuer" of the Agent as defined in National Instrument 33-105 - *Underwriting Conflicts*.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Units, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian company that acquires Units.

Except in certain limited circumstances, the Units distributed under this Prospectus will be deposited with CDS Clearing and Depository Services Inc. ("**CDS**") in electronic form on the Closing Date through the non-certificated inventory system administered by CDS. A purchaser of Units will receive only a customer confirmation from the Agent or other registered dealer through whom the Units are purchased.

PROSPECTIVE INVESTORS SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS PROSPECTUS. NEITHER THE AGENT NOR THE COMPANY HAVE AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. READERS SHOULD ASSUME THAT THE INFORMATION APPEARING IN THIS PROSPECTUS IS ACCURATE ONLY AS OF ITS DATE, REGARDLESS OF ITS TIME OF DELIVERY. THE COMPANY'S BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THAT DATE.

AGENT

RESEARCH CAPITAL CORPORATION
Commerce Court West
199 Bay Street, Suite 4500
Toronto, Ontario
M5L 1G2 Canada

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GLOSSARY

In this Prospectus, the following capitalized terms have the following meanings, in addition to other terms defined elsewhere in this Prospectus.

"**Articles**" means the articles of the Company.

"**Audit Committee**" means the Audit Committee of the Board.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Board**" or "**Board of Directors**" means the board of directors of the Company.

"**CEO**" means the Chief Executive Officer of the Company.

"**CFO**" means the Chief Financial Officer of the Company.

"**cGMP**" means current good manufacturing practice.

"**Closing**" means the completion of the Offering or any exercise of the Agent's Option (which may occur as part of the completion of the Offering).

"**Closing Date**" means the day on which the Offering or any exercise of the Agent's Option is closed.

"**Common Shares**" means the common shares in the capital of the Company, as currently constituted.

"**Concurrent Private Placement**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**DPSP**" means a "deferred profit sharing plan", as defined in the Tax Act.

"**Escrow Agent**" means Odyssey Trust Company.

"**Exchange**" or "**CSE**" means the Canadian Securities Exchange.

"**FDA**" means the U.S. Food and Drug Administration.

"**FDCA**" means the U.S. *Federal Food, Drug and Cosmetics Act*, as amended.

"**GCP**" means good clinical practices.

"**GeneTether**" means GeneTether Inc., a corporation incorporated under the General Corporation Law of the State of Delaware, United States.

"**GLP**" means good laboratory practices.

"**IFRS**" means the International Financial Reporting Standards as issued by the International Accounting Standards Board and the interpretations thereof by the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee.

"**IND**" means an investigational new drug.

"**Legacy Plan**" means GeneTether's 2021 Employee, Director and Consultant Equity Incentive Plan.

"**Listing Date**" means the date the Company's Common Shares are first listed for trading on the Exchange.

"**MD&A**" means, collectively, the management's discussion and analysis of GeneTether for the fiscal year ended December 31, 2020 and for the interim period ended September 30, 2021.

"**NCE**" means a new chemical entity.

"**NDA**" means a new drug application.

"**NEO**" has the meaning ascribed to such term under "Director and Executive Compensation".

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*, as amended from time to time.

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

"**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as amended from time to time.

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings*, as amended from time to time.

"**NP 58-201**" means National Policy 58-201 – *Corporate Governance Guidelines*, as amended from time to time.

"**Offering**" means the offer for sale by the Company of the Units at the Offering Price in accordance with the terms of the Agency Agreement and this Prospectus.

"**Offering Price**" means $0.60 per Unit.

"**Option**" means an option to purchase a Common Share issued pursuant to the Legacy Plan or the Plan.

"**Order**" has the meaning ascribed to such term under "*Directors and Executive Officers – Cease Trade Orders, Bankruptcies*.

"**PCT Application**" means an application under the Patent Cooperation Treaty.

"**Plan**" means the Company's stock option plan.

"**Private Placement Units**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**RDSP**" means a "registered disability savings plan", as defined in the Tax Act.

"**Registered Plan**" means a trust governed by a TFSA, DPSP, RRSP, RRIF, RDSP or RESP.

"**Reorganization**" has the meaning ascribed to such term under *"Corporate Structure – Reorganization"*.

"**RESP**" means a "registered education savings plan" as defined in the Tax Act.

"**RNA**" means Ribonucleic acid.

"**RRIF**" means a "registered retirement income fund" as defined in the Tax Act.

"**RRSP**" means a "registered retirement savings plan" as defined in the Tax Act.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Selling Provinces**" means British Columbia, Alberta and Ontario, in which this Prospectus has been filed and in which the Offering will be made.

"**Share Exchange Agreement**" means the share exchange agreement dated October 28, 2021 among GeneTether and its securityholders with respect to the Reorganization.

"**Tax Act**" means the *Income Tax Act* (Canada) and its regulations, as amended from time to time.

"**TFSA**" means a "tax-free savings account" as defined in the Tax Act.

"**Transfer Agent**" means Odyssey Trust Company.

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

"**USPTO**" means the United States Patent and Trademark Office.

"**U.S. Securities Act**" has the meaning ascribed to such term on the cover page of this Prospectus.

"**U.S. Tax Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Warrant Agent**" means Odyssey Trust Company.

"**Warrant Indenture**" means the warrant indenture between the Company and the Warrant Agent, dated as of the Closing Date.

NOTE TO INVESTORS

About this Prospectus

Except as otherwise indicated or the context otherwise requires in this Prospectus, references to the "Company", "us", "we", "our" refer to GeneTether Therapeutics Inc., a corporation incorporated under the BCBCA. References to GeneTether refer to GeneTether Inc., a corporation incorporated under the General Corporation Law of the State of Delaware, United States.

The Company was created to acquire and hold all of the shares of common stock of GeneTether pursuant to the Reorganization and prior to the completion of the Reorganization on November 30, 2021, the Company had not carried on any business activities. Pursuant to the Reorganization, the securityholders of GeneTether exchanged all of their issued and outstanding shares of common stock in the capital of GeneTether for securities of the Company, on a one-for-one basis with essentially the same rights and privileges, such that each of the said securityholders became securityholders of the Company and GeneTether became a wholly-owned subsidiary of the Company.

Following completion of the Reorganization, the Company is considered a U.S. corporation for purposes of U.S. taxation and consequently is required to file U.S. federal income tax returns and is taxed on its income in the United States. It is also restricted in its ability to use any loss carry-forward or tax credits to offset taxable income for the subsequent ten (10) years. The Company also continues to be a resident of Canada for Canadian income tax purposes and to be taxed on its income in Canada. See "*Risk Factors – Treatment of Company and Shareholders for U.S. and Canadian Tax Purposes*".

Words importing the singular in this Prospectus include the plural and vice versa, and words importing any gender include all genders.

An investor should read this entire Prospectus and consult their own professional advisors to assess the income tax matters, legal requirements, risk factors and other aspects of their investment in the Units.

An investor should rely only on the information contained in this Prospectus. The Company has not, and the Agent has not, authorized anyone to provide investors with additional or different information. If anyone provides an investor with additional or different or inconsistent information, including statements in media articles about the Company, the investor must not rely on such information.

We are not, and the Agent is not, offering to sell these securities in any jurisdictions where the offering or sale is not permitted. The information contained in this Prospectus is accurate only as of the date of this Prospectus, regardless of the time of delivery of this Prospectus or any sale of the Units. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

For investors outside Canada, neither the Company nor the Agent has done anything that would permit the Offering or possession or distribution of this Prospectus in any jurisdiction where action for that purpose is required, other than in Canada. Investors are required to inform themselves about, and to observe any restrictions relating to, the Offering and the distribution of this Prospectus.

The information contained on the Company's website is not intended to be included in or incorporated by reference into this Prospectus and investors should not rely on such information when deciding whether or not to invest in the Units.

Any graphs, tables, or other information demonstrating the historical performance or current or historical attributes of the Company or any other entity contained in this Prospectus are intended only to illustrate historical performance or current or historical attributes of the Company or such entities and are not necessarily indicative of future performance of the Company or such entities.

This Prospectus includes a summary description of certain material agreements of the Company, such as the Agency Agreement and the Warrant Indenture. See "*Material Contracts*". The summary description discloses all attributes that the Company believes would be material to a prospective purchaser of Units but is not complete and is qualified in its entirety by reference to the terms of such material agreements, which will be filed with the Canadian securities regulatory authorities and available on SEDAR. Investors are encouraged to read the full text of such material agreements.

Investors are urged to read the information under the headings "*Risk Factors*" and "*Cautionary Note Regarding Forward-Looking Information*" appearing elsewhere in this Prospectus.

Presentation of Financial Information and Accounting Principles

The Company has presented its financial statements in Canadian dollars. GeneTether presents its financial statements in U.S. dollars. The financial statements of the Company from inception on October 13, 2021 to October 25, 2021, and GeneTether as at September 30, 2021 and December 31, 2020 and for the periods then ended have been prepared in accordance with IFRS. Certain financial information set out in this Prospectus is derived from such financial statements.

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in U.S. dollars and references to "$" are to U.S. dollars. References to "C$" are to Canadian dollars.

The following table sets out the high and low rates of exchange for one (1) U.S. dollar expressed in Canadian dollars during each of the following periods, the average rate of exchange for those periods and the rate of exchange in effect at the end of each of those periods, each based on the rate of exchange published by the Bank of Canada for conversion of U.S. dollars into Canadian dollars:

	Nine Months Ended September 30		**Year Ended December 31**	
	2021 (C$)	**2020 (C$)**	**2021 (C$)**	**2020 (C$)**
Highest rate during the period	1.2856	1.4496	1.2942	1.4496
Lowest rate during the period	1.2040	1.2970	1.2040	1.2718
Average rate during the period	1.2513	1.3541	1.2535	1.3415
Rate at the end of the period	1.2741	1.3339	1.2678	1.2732

On March 18, 2022, the Bank of Canada daily average rate of exchange was C$1.00 = US$0.7926 or US$1.00 = C$1.2617.

The foregoing rates may differ from the actual rates used in the preparation of the financial statements and other financial data appearing in this Prospectus. The inclusion of these exchange rates is not meant

to suggest that the amounts in one currency actually represent such amounts in another currency, or that one currency could have been converted into another currency at any particular rate, if at all.

Third Party Information

Unless otherwise indicated, information contained in this Prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market share, is based on information from independent industry analysts and third-party sources (including industry publications, surveys and forecasts) and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us based on such data and our knowledge of our industry and markets, which we believe to be reasonable. None of the sources cited in this Prospectus has consented to the inclusion of any data from its reports, nor have we sought their consent. Our internal research has not been verified by any independent source, and we have not independently verified any third-party information. While we believe the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of our future performance and the future performance of our industry and the markets in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the "*Cautionary Note Regarding Forward-Looking Information*" and "*Risk Factors*" sections of this Prospectus and elsewhere in this Prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties or by us.

Enforcement of Judgments Against Foreign Persons

Each of: (i) William Garner, a director of the Company, (ii) Daren Graham, a director of the Company, (iii) Andre Pereira Fraga Figueiredo, a director of the Company, and (iv) R. Geoffrey Sargent, Chief Scientific Officer of the Company reside outside of Canada and have appointed the following agent for service of process:

Name of Agent	Address of Agent
Pushor Mitchell LLP	301 – 1665 Ellis Street, Kelowna British Columbia, Canada, V1Y 2B3

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

MARKETING MATERIALS

A "template version" of the following "marketing materials" (as such terms are defined in NI 41-101) for this Offering filed with the securities commissions or similar regulatory authority in each of the provinces of British Columbia, Alberta and Ontario are specifically incorporated by reference into the Prospectus:

1. the investor presentation dated November 4, 2021 and filed on SEDAR on November 4, 2021 (the "**November Presentation**");

2. the investor presentation dated January 27, 2022 and filed on SEDAR on January 27, 2022 (the "**January Presentation**");

3. the term sheet dated November 4, 2021 and filed on SEDAR on November 4, 2021 (the "**November Term Sheet**" and together with the November Presentation, the "**November Marketing Materials**");

4. the term sheet dated January 27, 2022 and filed on SEDAR on January 27, 2022 (the "**January Term Sheet**" and together with the January Presentation and the November Marketing Materials, "**Prior Marketing Materials**");

5. the term sheet dated March 21, 2022 and filed on SEDAR on March 21, 2022; and

6. the investor presentation dated March 21, 2022 and filed on SEDAR on March 21, 2022.

However, any such template version of marketing materials will not form part of this Prospectus to the extent that the contents of the template version of marketing materials are modified or superseded by a statement contained herein.

Any template version of marketing materials filed under the Company's profile on SEDAR after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) will be deemed to be incorporated into this Prospectus.

This Prospectus amends or modifies certain statements of material fact that appeared in the Prior Marketing Materials. In particular, statements in the Prior Marketing Materials pertaining to the Company's: (i) estimated development timeline, (ii) capital structure and sources & uses of funds, (iii) the Offering Price, and (iv) number of Units being offered have been modified in this Prospectus. In accordance with subsections 13.7(7) and 13.7(8) of NI 41-101, the Company has prepared revised template versions of the Prior Marketing Materials, which have been blacklined to show the modified statements. The revised template versions of the Prior Marketing Materials can be viewed under the Company's profile on www.sedar.com.

TRADEMARKS, TRADE NAMES AND SERVICE MARKS

This Prospectus contains certain trademarks, which are protected under applicable intellectual property laws and are the Company's property. Solely for convenience, the Company's trademarks and trade names referred to in this Prospectus may appear without the ® or ™ symbol, but such references are not intended to indicate, in any way, that the Company will not assert, to the fullest extent under applicable law, its rights to these trademarks and trade names.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains "forward-looking information" within the meaning of applicable securities laws in Canada. Forward-looking information may relate to our future outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information. In some cases, forward-

looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects”, “outlook”, “prospects”, “strategy”, “intends”, “believes”, or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “occur” or “be achieved”. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances.

Forward-looking information contained in this Prospectus and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct.

The forward-looking information in this Prospectus represents our expectations as of the date of this Prospectus. The Company does not, and will not, have any policies to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada.

Forward-looking information in this Prospectus includes, but is not limited to, information relating to:

- the timing, progress, and results of preclinical and clinical studies for GeneTether product candidates we may develop, including statements regarding the timing of initiation and completion of studies and related preparatory work, the period during which the results of the studies will become available, and our research and development programs;

- the potential of undesirable side effects or other properties relating to our product candidates that could delay or prevent their regulatory approval, limit their commercial potential, or result in significant negative consequences following any potential marketing approval;

- the potential for our identified research priorities to advance our product candidates;

- the potential benefits of and our ability to establish collaborations or strategic relationships or obtain additional funding;

- the potential for substantial delays in our clinical studies or our failure to demonstrate safety and efficacy to the satisfaction of applicable preclinical or regulatory authorities;

- our ability to obtain and maintain regulatory approval of our product candidates and any related restrictions, limitations and/or warnings in the label of an approved product candidate;

- our intellectual property position, including the scope of protection, if any, we are able to establish and maintain for intellectual property rights covering our GeneTether platform technology and any product candidates we may develop, and our ability not to infringe, misappropriate, or otherwise violate any third-party intellectual property rights;

- our ability and the potential to successfully manufacture our product candidates for clinical studies and for commercial use, if approved;

- the commercial prospects of our product candidates in light of the intellectual property rights of others;

- our ability to obtain funding for our operations, including funding necessary to complete further development of our product candidates;

- our plans to research, develop, and commercialize our product candidates;

- our ability to attract collaborators with development, regulatory, and commercialization expertise;

- the size and growth potential of the markets for our product candidates;

- the rate and degree of market acceptance and clinical utility of GeneTether product candidates we may develop, if approved;

- the pricing and reimbursement of any GeneTether product candidates we may develop, if approved;

- regulatory developments in Canada, the United States and other countries;

- our ability to contract with third-party suppliers and manufacturers and their ability to perform adequately;

- the success of competing therapies that are or may become available;

- our ability to retain the continued service of our key professionals and to identify, hire, and retain additional qualified professionals;

- the accuracy of our estimates regarding expenses, future revenue, capital requirements, and needs for additional financing;

- the impact of laws and regulations and potential changes to laws and regulations;

- our expectations related to the expected timing of the closing of the Offering and the Concurrent Private Placement;

- our expectations related to the use of proceeds from this Offering and the Concurrent Private Placement; and

- our expectations related to the receipt of required regulatory (including stock exchange) approvals in respect of the Offering and the Concurrent Private Placement.

We have based the forward-looking information largely on the Company's current expectations, estimates, assumptions, and projections about future events and financial and other trends that the

Company believes, as of the date of such statements, may affect its business, financial condition and results of operations. Such expectations, estimates, assumptions, and projections, many of which are beyond our control, include, but are not limited to: (i) the Company's ability to obtain positive results of preclinical and clinical studies; (ii) the Company's ability to obtain regulatory approvals; (iii) general business and economic conditions; (iv) the Company's ability to successfully out-license or sell its current product candidates and in-license and develop new product candidates; (v) the availability of financing on reasonable terms; (vi) the Company's ability to attract and retain skilled staff; (vii) market competition; (viii) the products and technology offered by the Company's competitors; and (ix) the Company's ability to protect patents and proprietary rights.

In evaluating forward-looking information, investors should specifically consider various factors, including risks related to:

- Actual results could differ materially from those anticipated in the forward-looking information as a result of the risk factors described herein, including those described in the section entitled "Risk Factors" in this Prospectus.

- We have incurred operating losses since our inception and anticipate that we will incur significant continued losses for the foreseeable future. Even if this Offering and the Concurrent Private Placement are successful, we will need to raise additional funding to advance our product candidates through preclinical and clinical studies, and such funding may not be available on acceptable terms, or at all. Failure to obtain this necessary capital when needed may force us to delay, limit or terminate our product development efforts or other operations.

- We do not expect to generate positive cash flow from operations for the foreseeable future due to additional R&D expenses, including expenses related to drug discovery, preclinical testing, clinical trials, chemistry, manufacturing and controls and operating expenses associated with supporting these activities. It is expected that negative cash flow from operations will continue until such time, if ever, that we receive regulatory approval to commercialize any of our products under development and/or royalty or milestone revenue from any such products should they exceed our expenses.

Whether, and when, the Company can attain profitability and positive cash flows from operations is subject to material uncertainty. The above events and conditions indicate there is a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so.

- We cannot give any assurance that we will continue to create a pipeline of product candidates or that our product candidates will receive regulatory approval.

- Our product candidates may cause serious adverse events or other undesirable side effects that could delay their regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following market approval, if any.

- Failures or delays in the commencement or completion of, or ambiguous or negative results from, our ongoing or planned preclinical or clinical studies of our product candidates could result in increased costs to us and could delay, prevent, or limit our ability to continue our business.

- Many other entities are developing products to treat the same diseases for which we may develop GeneTether product candidates, which may result in extensive competition.

- We may depend on collaborations with third parties for the research, development, and commercialization of certain of our product candidates. If any such collaborations are not successful, we may not be able to realize the market potential of those product candidates.

- We expect to rely on third parties to conduct any preclinical or clinical studies for our product candidates, on third-party suppliers to manufacture our clinical supplies for our product candidates, and on single-source suppliers for some of the components and materials used in our product candidates. If these third parties do not successfully carry out their contractual or legal duties or meet expected deadlines, we may not receive regulatory approval and our business could be substantially harmed.

- Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by governmental patent agencies, and our patent protection for licensed patents, licensed pending patent applications and potential future patent applications and patents could be reduced or eliminated for non-compliance with these requirements.

- Any claims or lawsuits relating to infringement of intellectual property rights brought by or against us will be costly and time consuming and may adversely affect our business, financial condition, and results of operations.

- Our executive officers, directors, principal shareholders, and their affiliates represent beneficial ownership, in the aggregate, of approximately 82.3% of our outstanding Common Shares (assuming completion of the Minimum Offering and assuming the Agent's Option is not exercised) and will, acting together, be able to exercise significant control over the Company after the initial public offering, which will limit the ability of our other shareholders to influence corporate matters, could delay or prevent a change in corporate control, and may adversely affect the market price of our Common Shares.

This list of factors should not be construed as exhaustive. All subsequent forward-looking information attributable to our Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Offering and is qualified in its entirety by, and should be read together with, the more detailed information, financial statements and MD&A contained elsewhere in this Prospectus. This summary does not contain all of the information a potential investor should consider before investing in the Units.

The Company

The Company was incorporated under the BCBCA on October 13, 2021 under the name "GeneTether Therapeutics Inc." The Company's registered and records and head office is located at 301-1665 Ellis Street, Kelowna, British Columbia, Canada V1Y 2B3.

GeneTether was incorporated in the state of Delaware under the Delaware General Corporation Law on February 12, 2018 under the name "GeneTether Inc." GeneTether's registered and records office is located at 108 West 13th Street, Wilmington, Delaware, USA, 19801.

On November 30, 2021, the Company and GeneTether completed the Reorganization, following which the business of the Company is the business of GeneTether, an innovative medicines company focused on creating best-in-class gene editing therapies based on its proprietary gene editing platform technology, which it refers to as its GeneTether™ platform.

The Offering

Distribution:

The Company is offering a minimum of 7,500,000 Units at the Offering Price for minimum gross proceeds of C$4,500,000 and up to a maximum of 10,000,000 Units at a price of C$0.60 per Unit for maximum gross proceeds of up to C$6,000,000. The Units are being offered on a commercially reasonable efforts basis pursuant to an Agency Agreement dated March 21, 2022 between the Company and the Agent.

The Company intends to complete the Concurrent Private Placement of up to approximately 7,500,000 Private Placement Units at the Offering Price for gross proceeds of up to approximately C$4,500,000. Gross proceeds raised by the Company under the Concurrent Private Placement, will be aggregated with proceeds raised under the Offering in determining whether the Minimum Offering has been achieved.

In the event that subscriptions for the Minimum Offering are not attained within 90 days of the issuance of the final receipt for this Prospectus or, if a receipt is issued for an amendment to this Prospectus, within 90 days of the issuance of such receipt and, in any event, not later and 180 days from the date the receipt for the Prospectus, all subscription monies will be returned to the subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

See "*Plan of Distribution*".

Agent's Commission: Pursuant to the terms and conditions of the Agency Agreement, the Company has agreed to pay the Agent the Commission, equal to the sum of (i) 8.0% of the gross proceeds of the Offering (including any gross proceeds raised on exercise of the Agent's Option), other than the gross proceeds raised from President's List Sales of up to C$4,500,000 and (ii) 4.0% of the gross proceeds raised from President's List Sales, payable in cash from the proceeds of the Offering. The Agent will also receive, as additional compensation, Compensation Warrants to purchase that number of Compensation Units that is equal to 8.0% of the Units sold pursuant to the Offering (including any gross proceeds realized on the exercise of the Agent's Option Units sold pursuant to the exercise of the Agent's Option), but excluding the Units sold pursuant to President's List Sales. In connection with President's List Sales, the Agent will receive Compensation Warrants to purchase that number of Compensation Units that is equal to 4.0% of the Units sold pursuant to the President's List Sales. Each Compensation Warrant is exercisable to purchase one Compensation Unit at a price of C$0.60 for a period of 36 months from the Closing Date. The Company has also agreed to pay the Agent a Management Fee equal to 1.0% of the gross proceeds of the Offering (including the gross proceeds realized on any exercise of Agent's Option Units sold pursuant to the exercise of the Agent's Option) and the Concurrent Private Placement. The Management Fee is payable in cash from the proceeds of the Offering.

In connection with the Concurrent Private Placement, the Company has agreed to pay the Agent a cash Corporate Finance Fee of up to $167,000, subject to adjustment. In addition, the Agent will receive up to 279,000 Corporate Finance Fee Compensation Warrants, subject to adjustment, to purchase that number of Corporate Finance Fee Compensation Warrant Units at the Offering Price for a period of 36 months from the Closing Date.

This Prospectus also qualifies the grant of the Compensation Warrants. See "*Plan of Distribution*".

Agent's Option: Pursuant to the terms and conditions of the Agency Agreement, the Company granted the Agent an option to increase the size of the Offering by up to 15% or 1,500,000 Units (and/or the components thereof) assuming the Maximum Offering is fully subscribed. The Agent's Option is exercisable for a period of 30 days from the Closing Date at a price of C$0.60 per Agent's Option Unit. This Prospectus qualifies the grant of the Agent's Option and the distribution of any Agent's Option Units, Agent's Option Shares, and/or Agent's Option Warrants issued pursuant to the exercise of the Agent's Option. See "*Plan of Distribution*".

Use of Proceeds: Assuming the Minimum Offering is completed and the Agent's Option is not exercised, the Company anticipates receiving net proceeds of approximately C$3,545,000 and, assuming the Maximum Offering is fully subscribed and the Agent's Option is not exercised, the Company anticipates receiving net proceeds of approximately C$4,910,000, in each case after the deduction of the Commission (assuming no proceeds are raised from President's List Sales),

the Management Fee and estimated expenses of the Offering and the Concurrent Private Placement of approximately C$550,000.

Assuming the Minimum Offering is completed and the Agent exercises the Agent's Option in full, the Company anticipates receiving net proceeds of approximately C$4,159,250 and, assuming the Maximum Offering is fully subscribed and the Agent's Option is exercised in full, the Company anticipates receiving net proceeds of approximately C$5,729,000, in each case after the deduction of the Commission (assuming no proceeds are raised from President's List Sales), the Management Fee and estimated expenses of the Offering and the Concurrent Private Placement of approximately C$550,000.

The estimated working capital of GeneTether on the last day of the month before filing the Prospectus was C$95,000 (unaudited). The net funds expected to be available to the Company upon completion of the Offering and the Concurrent Private Placement and its intended use of such funds are indicated in the following tables:

Source of Funds	Minimum Offering	Maximum Offering
Estimated Working Capital of GeneTether as at February 28, 2022	C$95,000[(1)]	C$95,000[(1)]
Estimated Net Proceeds from the Offering[(2)]	C$3,545,000	C$4,910,000
Total Available Funds (unaudited)	C$3,640,000	C$5,005,000

Notes:
(1) Based on the March 18, 2022 Bank of Canada daily close exchange rate of US$1.00 to C**$1.2617.**
(2) Assuming no proceeds are raised from President's List Sales and the Agent's Option is not exercised and after deducting the Commission, the Management Fee, and estimated expenses of the Offering and the Concurrent Private Placement of approximately C$550,000.

Use of Available Funds	Minimum Offering[(1)]	Maximum Offering[(1)]
Research and Development	C$1,842,000	C$2,842,000
Ongoing validation of GeneTether platform technology and IP portfolio expansion	C$1,032,000	C$1,532,000
Identification of lead development program(s)	C$810,000	C$1,310,000
General and Administrative Expenses[(1)]	C$1,350,000	C$1,350,000

Unallocated Working Capital[(2)]	C$448,000	C$813,000
Total Available Funds (unaudited)	**C$3,640,000**	**C$5,005,000**

Notes:
(1) Estimated general and administrative expenses for the next 12 months are comprised of: C$543,000 for consulting fees allocated to executive compensation; C$500,000 for D&O Insurance; C$122,000 for professional services (including accounting and legal services; C$115,000 for investor relations activities; and C$70,000 for administrative expenses.
(2) Our unallocated working capital is to provide additional contingency for additional research & development, overhead and general and administrative expense overrun.

While the Company intends to spend the net proceeds from the Offering and the Concurrent Private Placement as stated above, there may be circumstances where, for sound business reasons, funds may be re-allocated at the discretion of the Board or management. See "*Use of Proceeds*".

Risk Factors:

An investment in the Company involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of the Company. Prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to: government or regulatory approvals; permits and government regulation; the Company's limited operating history; laws and regulation; uninsured and underinsured risks; public health crises such as the COVID-19 pandemic; the global economy; dependence on management and key personnel; claims and legal proceedings; conflicts of interest; negative cash flow from operating activities; going concern risk; uncertainty of use of available funds; the Company's status as a foreign private issuer under U.S. securities law risks associated with acquisitions; infrastructure; intellectual property risks; the possible lack of established market for the Common Shares; the speculative nature of an investment in the Company; price of the Common Shares may not represent the Company's performance or intrinsic fair value; securities or industry analysts; price volatility of publicly traded securities; dilution; dividends; the expected listing of the Common Shares on the CSE, and conflicts of interest. Prospective purchasers should carefully consider the information set out under "*Risk Factors*" and the other information in this Prospectus before purchasing securities of the Company.

Selected Financial Information

The following table sets out certain selected financial information of the Company and GeneTether for the periods and as at the dates indicated. This information has been derived from the Company's and GeneTether's financial statements and related notes thereto included in this Prospectus. Both the Company and GeneTether Inc. prepare their financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the corresponding MD&A.

	The Company for the period from incorporation on October 13, 2021 to October 25, 2021 (audited)	GeneTether for the nine months ended September 30, 2021 (unaudited)	GeneTether for the year ended December 31, 2020 (audited)	GeneTether for the year ended December 31, 2019 (audited)
Total Revenue	Nil	Nil	Nil	Nil
Total Assets	C$0.001	$610,783	$45,389	$13,117
Total Liabilities	Nil	$90,166	$123,164	$21,386
Total Expenses	Nil	$1,076,322	$71,962	$86,232
Net Loss	Nil	$(1,076,635)	$(72,966)	$(86,741)
Net Loss per Common Share (basic and diluted)	Nil	$(1.15)	$(0.10)	$(0.12)
Total Liabilities and Shareholders' Equity	C$0.001	$610,783	$45,389	$13,117

Financial Statements and Management's Discussion and Analysis

The following financial statements and corresponding management's discussion and analysis of the Company and GeneTether are included as schedules to this Prospectus:

Schedule A	Audited financial statements of the Company for the period from incorporation to October 25, 2021.
Schedule B:	Audited financial statements of GeneTether for the years ended December 31, 2020 and 2019 and period from February 12, 2018 to December 31, 2018.
Schedule C:	Management's discussion and analysis of GeneTether for the years ended December 31, 2020 and 2019.
Schedule D:	Unaudited condensed interim financial statements of GeneTether for the three and nine months ended September 30, 2021 and 2020.
Schedule E:	Management's discussion and analysis of GeneTether for the three and nine months ended September 30, 2021 and 2020.

The financial statements listed above have been prepared in accordance with IFRS.

Certain information included in the MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Cautionary Note Regarding Forward-Looking Information*".

CORPORATE STRUCTURE

Name, Address and Incorporation

GeneTether Therapeutics Inc. was incorporated under the BCBCA on October 13, 2021. The Company's registered and records and head office is located at 301 – 1665 Ellis Street, Kelowna, British Columbia, Canada V1Y 2B3. The Company was created to acquire and hold all of the shares of common stock of GeneTether.

GeneTether was incorporated in the state of Delaware under the Delaware General Corporation Law on February 12, 2018 under the name "GeneTether Inc." On May 23, 2019, the Company effected a three-for-one share split of the outstanding common shares pursuant to an amendment to its certificate of incorporation. GeneTether's registered and records office is located at 108 West 13th Street, Wilmington, Delaware, USA, 19801.

Reorganization

The Company was created to acquire and hold all of the shares of common stock of GeneTether pursuant to a share exchange transaction among the Company and the security holders of GeneTether (the "**Reorganization**") in accordance with the terms and conditions of the Share Exchange Agreement. Pursuant to the terms of the Share Exchange Agreement, immediately prior to the completion of the Reorganization, GeneTether subdivided its common stock on the basis of 37.32 shares of GeneTether's common stock post-subdivision for each 1 share of GeneTether's common stock immediately prior to the subdivision and the securityholders of GeneTether subsequently exchanged all of their issued and outstanding shares of common stock in the capital of GeneTether for securities of the Company, on a one-for-one basis with essentially the same rights and privileges, such that each of the said securityholders became securityholders of the Company and GeneTether became a wholly-owned subsidiary of the Company. The Reorganization was completed effective November 30, 2021.

Following completion of the Reorganization, the Company is considered to be a U.S. corporation for purposes of U.S. taxation and consequently is required to file U.S. federal tax returns and is taxed on its income in the United States. It is restricted in its ability to use any loss carry-forward or tax credits to offset taxable income for the subsequent ten (10) years. See "*Risk Factors*."

GENERAL DEVELOPMENT AND BUSINESS OF THE COMPANY

Overview

We are an innovative genetic medicines company focused on creating best-in-class gene editing therapies based on our proprietary GeneTether™ platform. We are currently building a discovery pipeline focused on the treatment of rare, monogenic diseases of the kidney and the skin. We believe that our GeneTether platform may have broad applicability and we are exploring other potential uses, including for the treatment of genetic diseases in in organs beyond the kidney and skin. Our GeneTether platform may also allow for high fidelity engineering of cells to permanently deliver the therapeutic proteins necessary to treat certain genetic diseases.

Our GeneTether platform has the potential to significantly improve upon current gene editing methods by actively positioning reparative DNA fragments, which are referred to as donor DNA templates, near the

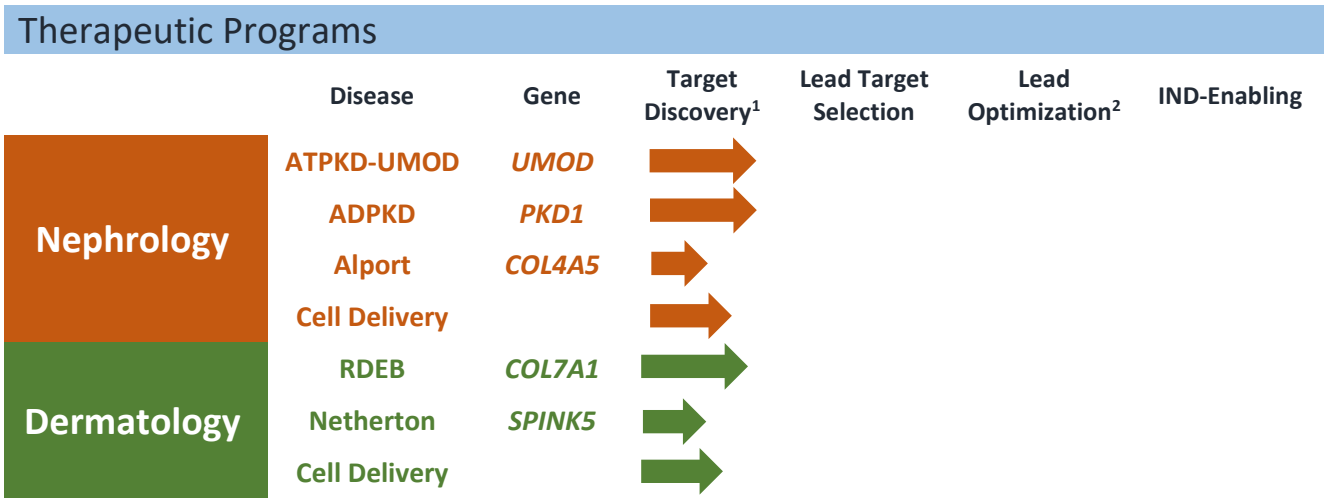
location of double strand breaks in a cell's DNA. These double strand breaks can be created by certain types of DNA-cutting tools, including CRISPR/Cas9. Donor DNA templates contain normal copies or fragments of the mutated, disease-causing genes of interest. By positioning a donor DNA template directly at the site of a double strand break, our GeneTether platform drives the DNA repair process towards homology-directed repair (HDR), a cellular repair mechanism that incorporates the genetic information of a DNA template, rather than the error-prone process of non-homologous end joining (NHEJ). We refer to this as "gene correction." HDR can only take place when a DNA template, either natural or externally delivered, is near the site of a strand break at the time the cell's repair process is initiated. When gene correction occurs in enough cells, the disease caused by the underlying genetic mutation can potentially be cured permanently. HDR and NHEJ are described more fully in "Nuclease-based gene editing – Homology-directed repair" and "Nuclease-based gene editing – Non-homologous end joining" below.

Utilizing HDR, donor DNA templates can also be used to integrate a functional piece of genetic information into genomic safe harbours when the direct correction of a mutated gene is not required for a curative effect. Genomic safe harbours are sites in the genome able to accommodate the integration of new genetic material in a manner that ensures that the newly inserted genetic elements function predictably and do not cause alterations of the host genome posing a risk to the host cell or organism. When functional genetic elements are integrated at safe harbours, we refer to this as "gene complementation." Gene complementation can be utilized in several ways, including the addition of genetic instructions for the production of proteins that alleviate or eliminate certain genetic and non-genetic "loss-of-function" diseases. As with gene correction, gene complementation may potentially result in a permanent cure for these diseases.

Most current gene correction and complementation methods simply diffuse donor DNA templates into the cell along with the gene editing machinery required to locate and cut a particular site in a cell's genome. This method relies on the random chance that a donor DNA template will be in close enough proximity to the double strand break that the repair process takes place via HDR. The result is that the number of donor DNA templates incorporated into target cells' DNA via HDR is very low and the incidence of NHEJ is very high. By significantly increasing HDR and decreasing NHEJ, we believe our GeneTether platform will not only allow development of safer and more efficacious gene correction and complementation therapies, but will also reduce the time and expense of their production and implementation. The result is a next-generation gene editing platform that has the potential to make therapeutic applications of gene correction and complementation viable across a large number of diseases and on a large scale.

While we are currently an early stage preclinical stage company and have not yet finalized a lead product candidate, based on the results of our proof-of-concept study in human cells described below, we believe that products incorporating our GeneTether platform have the potential to reach previously untreatable or under-treated patients and address new indications, thereby unlocking the full potential of gene editing therapies.

Our Research Pipeline



Notes:
[1]Target discovery includes identifying and/or developing cell line and animal models, conducting proof-of-concept studies, and identifying and/or developing tissue selective delivery vehicles.
[2]Lead optimization includes refinement of GeneTether construct and delivery formulation, and demonstrating efficacy and tolerability in animal models.

Company History

GeneTether Inc. was incorporated in February 2018 under the Delaware General Corporation Law. The initial director and officer of the company was its Co-Founder, Dr. R. Geoffrey Sargent. In consultation with the GeneTether's advisors, Dr. Sargent focused GeneTether's core business strategy on reducing to practice Dr. Sargent's proprietary technique for enhancing the editing efficiency of gene editing technologies.

In March 2018, GeneTether filed a provisional patent application with the Australian Patent Office related to its GeneTether technology.

In April 2018, the shareholders of GeneTether voted to elect two additional board members, including GeneTether Co-Founders Dr. R. Geoffrey Sargent and Dr. William J. Garner. Dr. Garner is a physician, investor, and entrepreneur who has founded and co-founded numerous life science companies, including Race Oncology, Tryp Therapeutics, and Island Pharmaceuticals, among others.

In November 2018, GeneTether conducted a preclinical experiment utilizing the GeneTether technology, which resulted in an approximately 7x increase in the number of gene edits made versus the same gene editing payload without application of the GeneTether technology.

In March 2019, GeneTether converted its provisional patent application to a PCT application.

In March 2020, GeneTether was notified that the patent examiner reviewing its PCT application judged the claims contained therein to be novel and not obvious.

In September 2020, GeneTether entered the national phase of its patent application and subsequently filed patent applications in each of the U.S., Canada, Australia, China, Japan, South Korea, the E.U., and Singapore.

In January 2021, the shareholders of GeneTether voted to elect Mr. Andre Pereira Fraga Figueiredo and Mr. Daren Graham to GeneTether's board. Mr. Fraga has over 20 years of experience in M&A, strategy, and business development in the petrochemical and renewable energy sectors, and is an active investor in early stage life science companies. Mr. Graham has nearly 20 years of experience in the life science industry as a merchant banker, senior operations executive, and corporate finance attorney.

In February 2021, the Australian Patent Office granted GeneTether a patent for its GeneTether technology.

From February to July 2021, GeneTether conducted a seed round private placement financing for aggregate proceeds of approximately $1,000,000. The Company issued an aggregate of 183,315 shares at an offering price of $5.45221 per share (each on a pre-Reorganization basis).

In March 2021, the Company engaged Green BCN Consulting Services, a group of Barcelona-based consultants specializing in life science research, drug discovery and development, and strategic planning. Also in March 2021, Dr. Peter Sampson joined the Company as Vice President, Research and Development on a consulting basis. Dr. Sampson has over 20 years of experience in the life science industry, ranging from early-stage research and development to clinical trials.

In April 2021, GeneTether's board elected Mr. Graham as its Chairperson. Also in April 2021, GeneTether initiated a research and development program with ZeClinics of Barcelona, Spain, whereby ZeClinics will conduct a series of experiments in zebrafish embryos to, among other things, demonstrate the editing efficiency and toxicity of gene editing constructs incorporating the GeneTether platform technology versus identical gene editing constructs without the GeneTether technology.

In May 2021, GeneTether initiated a research and development program with the University of California, Davis ("**UCD**") whereby researchers at UCD and members of GeneTether's R&D team will conduct a series of experiments in large animal eggs, embryos and embryonic stem cells to, among other things, demonstrate the editing efficiency of the GeneTether platform technology versus identical gene editing constructs without the GeneTether technology.

In September 2021, GeneTether began discussions with Dr. Kuldeep Neote about joining GeneTether as the Chairperson of its Scientific Advisory Board. Dr. Neote earned his PhD in Molecular Genetics at the University of Toronto. He has over 25 years in the life science industry, including as a researcher at Genentech, Pfizer, and Eli Lilly and Company, and as a business development executive at Johnson & Johnson and Eli Lilly and

Company. He is currently an Entrepreneur-in-Residence at FACIT/OICR in Toronto and at The National Institutes of Health in Maryland.

In October 2021, Mr. Roland Boivin joined GeneTether as its Chief Executive Officer on a consulting basis. Mr. Boivin has nearly 25 years of public company leadership experience, with a focus on strategic operations, finance, business development, and general management, including as CFO for Medexus Pharmaceuticals. GeneTether's shareholders also elected Mr. Boivin to the Board of Directors.

In October 2021 Ms. Jean Jen joined GeneTether as its Chief Financial Officer on a consulting basis. Ms. Jen has over twelve years of finance and accounting experience, working with both private and public companies in the life sciences industry, including Arbutus Biopharma.

In October 2021, GeneTether's shareholders elected Mr. P. Gage Jull to the Board of Directors. Mr. Jull is a Co-Founder and Chairman of Bordeaux Capital Inc., a Toronto-based mergers and acquisitions advisory firm focused on emerging companies in the natural resources and other sectors. Mr. Jull is also a director of Tryp Therapeutics where he is the Chairperson of the Audit Committee.

In October 2021, Dr. Neote joined GeneTether as the Chairperson of its Scientific Advisory Board. GeneTether also engaged Dr. Neote as a consultant for certain of its innovation and strategy activities.

In October 2021, the USPTO issued an office action indicating that certain claims encompassing the current embodiment of the GeneTether platform technology are allowable.

On November 30, 2021, the Company and GeneTether completed the Reorganization, pursuant to which the GeneTether became a wholly-owned subsidiary of the Company.

Between October 2021 and March 2022, GeneTether engaged in collaboration discussions with multiple genetic medicines companies based in Cambridge, Massachusetts. Those discussions are ongoing as of the date of this Prospectus.

On February 9, 2022, the USPTO issued a Notice of Allowance with respect to a patent entitled "Modified Nucleic Acid Editing Systems for Tethering Donor DNA" related to our GeneTether platform.

Our Strategy

Our mission is to build a leading integrated gene editing company focused on developing potentially curative therapeutics based on our GeneTether platform. We are advancing a portfolio of programs, including for rare genetic diseases of the kidney and skin, where we believe our GeneTether platform may substantially improve clinical efficacy relative to existing therapeutic approaches. We plan to expand our portfolio to include additional rare and prevalent genetic diseases by developing discrete GeneTether product candidates, each engineered to reach a different organ or tissue and address the underlying genetic mutation, either through gene correction or complementation.

Key elements of our strategy are to:

- **Aggressively pursue indications addressed by targeting the kidney and skin**. For our initial development programs, we selected genetic kidney and skin diseases with significant unmet

medical need and well-validated genetic targets. We intend to use a portion of the proceeds from this offering to develop delivery technologies that have enhanced kidney and skin tropism, functional transduction, and improved manufacturability, providing us with potentially differentiated delivery of our product candidates. We plan to continue our research to explore additional potential indications leveraging our GeneTether platform's enhanced gene correction and complementation efficiency, learnings from our initial programs, and our team's strengths in gene editing.

- **Collaborate to realize the full potential of our GeneTether platform**. We plan to pursue and leverage strategic partnerships to accelerate advancement of our programs by accessing disease-specific expertise in indications within and outside of our initial core focus. We also intend to seek collaborations to accelerate the development of our GeneTether platform in new organs and tissues.

- **Build an exceptional team and organization**. Delivering on the promise of our novel GeneTether platform requires an exceptional organization. We have assembled a group of leaders and scientific talent in the fields of gene editing, genetic kidney and skin diseases, and expect to continue building and expanding our team, as required, to execute on our plans to develop and commercialize genetic medicines.

- **Maintain our scientific leadership in the field of gene editing**. We will strive to continue optimizing aspects of our GeneTether platform through a combination of in-house research and work by our network of collaborators. Additionally, we expect to continue investing in the development of next-generation delivery vehicles that we hope will continue to enhance the utility of our GeneTether platform. We believe that our scientific leadership will provide us opportunities to expand our intellectual property portfolio.

Genetic Diseases and Their Treatment

There is a subset of human diseases that can be traced to changes in the DNA that are either inherited or acquired early in embryonic development. Of particular interest for developers of genetic therapies are diseases caused by a mutation in a single gene, known as monogenic diseases. There are an estimated 10,000 monogenic diseases affecting tens of millions of individuals worldwide. While any particular genetic disease caused by inherited mutations is typically rare, the toll of genetic-related disease when taken together is high. Well-known genetic diseases include cystic fibrosis, Duchenne muscular dystrophy, Huntington's disease and sickle cell disease. Other classes of genetic diseases include metabolic disorders, such as organic acidemias, and lysosomal storage diseases where dysfunctional genes result in defects in metabolic processes and the accumulation of toxic byproducts that can lead to serious morbidity and mortality both in the short-term and long-term.

While monogenic diseases have been of particular interest for biomedical innovators, the vast majority of these diseases and disorders remain unaddressed. In recent years, this has begun to change due to innovation in gene therapy and gene editing. The various approaches taken to addressing monogenic diseases are described below.

Gene therapy

Among the earliest forms of genetic medicines is an approach referred to as "gene therapy," which alters the gene expression profile of a patient's cells by gene transfer. Gene transfer is the process of using modified viruses as vectors to deliver a therapeutic gene, called a transgene, into the nucleus of a patient's cells to alter or complement the cell's ability to express certain proteins. There are multiple types of gene therapy currently being used to treat patients. In conventional adeno-associated virus (AAV) gene therapy, the transgene is introduced into the nucleus of the host cell, but is not intended to integrate in chromosomal DNA. The transgene is expressed from a non-integrated genetic element called an episome that exists inside the nucleus. A second type of gene therapy employs a different type of virus, such as lentivirus, that inserts itself, along with the transgene, into the chromosomal DNA but at arbitrary sites, which can promote undesired effects such as tumour formation.

Episomal expression of a gene must be driven by an exogenous promoter, leading to production of a protein that corrects or ameliorates the disease condition. In the case of gene therapy based on episomal expression, when cells divide during the process of growth or tissue regeneration, the benefits of the therapy typically decline because the transgenes were not intended to integrate into the host chromosome, and thus are not replicated during cell division. Each new generation of cells further reduces the proportion of cells expressing the transgene in the target tissue, leading to the reduction or elimination of the therapeutic benefit over time. This type of gene therapy is typically most successful when genes are delivered into tissues that consist of stable cells rather than those that rapidly divide.

While certain gene therapies have gained regulatory approval, this approach has several limitations, as described below.

Limitations of Gene Therapy

- **Dilutive effects as cells divide and tissues grow**. In the case of gene therapy based on episomal expression, when cells divide during the process of growth or tissue regeneration, the benefits of the therapy typically decline because the transgenes were not intended to integrate into the host chromosome and are therefore not replicated during cell division. Each new generation of cells further reduces the proportion of cells expressing the transgene in the target tissue, leading to the reduction or elimination of the therapeutic benefit over time.

- **Inability to control site of insertion**. While the use of some gene therapy using viral mediated insertion has the potential to provide long-term benefit because the gene is inserted into the host chromosome, there is no ability to control where the gene is inserted, which presents a risk of disrupting an essential gene or inserting into a location that can promote undesired effects such as tumour formation. For this reason, these integrating gene therapy approaches are primarily limited to *ex vivo* approaches, where the cells are treated outside the body and then re-inserted.

- **Use of exogenous promoters increases the risk of tumour formation**. A common feature of both gene therapy approaches is that the transgene is introduced into cells together with an exogenous promoter. Promoters are required to initiate the transcription and amplification of DNA to messenger RNA (mRNA), which is ultimately translated into protein. Expression of high levels of therapeutic proteins from a transgene requires strong, engineered promoters. While

these promoters are essential for protein expression, studies have shown that non-specific integration of gene therapy vectors can promote tumourigenesis. The strength of the promoters plays a significant role in increasing the development of tumours. Thus, attempts to drive high levels of expression with strong promoters may have long-term deleterious consequences.

Nuclease-based* gene *editing

Gene editing is the deletion, correction, or complementation of mutated genes by introducing breaks in the DNA of cells using exogenously delivered gene editing tools known as nucleases. Nucleases are enzymes that have the ability to cut DNA. There are different types of nucleases, some of which were engineered and some of which were initially identified as components of certain bacterial immune systems. To date, gene editing has generally used one of three types of nucleases or their analogues:

- Clustered, Regularly Interspaced Short Palindromic Repeats Associated protein (CRISPR/Cas);
- Transcription activator-like effector nucleases (TALENs); and
- Zinc Finger Nucleases (ZFN).

Nuclease-based gene editing is a two-step process. First, an exogenous nuclease capable of cutting one or both strands in double-stranded DNA is directed to the desired site by a synthetic guide RNA, or in the case of TALENs and ZFN, by an engineered protein sequence. Upon arrival at the desired location, the nuclease makes a specific cut in the DNA. After the nuclease makes the desired cut, the cell's DNA repair machinery is activated and completes the editing process through either NHEJ or HDR. For a cell to utilize HDR, a donor DNA template must be in close proximity to the cut at the time the repair process is initiated. Unlike the gene therapy approach, gene editing allows for the repaired genetic region to propagate to new generations of cells through normal cell division.

To date, the viability of gene correction and gene complementation via nuclease-based gene editing has been limited due to the low rates of HDR and unacceptable rates of unwanted on- and off-target modifications. This has largely limited the focus of gene editing to "knocking out" an individual mutation within a gene. Most genetic diseases have a large number of underlying genetic mutations, which knock out strategies are generally unable to address at one time. We believe that by inserting an entire corrective gene via HDR using our GeneTether platform, we may be able to address all underlying genetic mutations of many genetic diseases.

Homology-directed repair

Homology-directed repair (HDR), is a naturally occurring cellular repair mechanism that involves highly precise transfer of genetic information from homologous DNA templates complementary to a site of DNA damage. HDR occurs primarily during cell division, when endogenous DNA, usually from a sister chromatid, is present. DNA templates may also be artificially introduced, as is the case in gene correction or complementation. HDR has key advantages over NHEJ in that it can repair DNA with high fidelity and it avoids the introduction of unwanted mutations at the site of interest. NHEJ is a less selective, more error-prone process that rapidly joins the ends of broken DNA, resulting in a high frequency of insertions or deletions (INDELs), at the break site.

Because HDR relies on the presence of DNA templates during cellular repair of a strand break, the typical incidence of HDR during repair of the double strand breaks created by gene editing technologies is very low. This is due to the fact that most current gene editing technologies simply diffuse donor DNA templates into

the cell along with the gene editing machinery required to locate and cut a particular site in a cell's genome. This method relies on the random chance that a donor DNA template will be in close enough proximity to the double strand break that the repair process takes place via HDR. The probability of a template being in a location that drives repair towards HDR can be enhanced by increasing the concentration of donor DNA templates inserted into cells as part of the gene editing payload, but this approach is limited by the fact that increasing the number of templates beyond a certain threshold can result in cytotoxicity.

Non-homologous end joining

Non-homologous end joining is a cellular repair mechanism that occurs in the absence of a DNA template for the cell to copy as it repairs a DNA strand break. The NHEJ pathway is the most common DNA repair mechanism, particularly in non-dividing cells. However, the NHEJ pathway is error-prone, resulting in a high incidence of mutation-prone INDELs at the site of the repair. In developing gene editing therapies, the NHEJ mechanism can be leveraged to intentionally introduce INDELs, resulting in the knocking out of mutated, disease causing genetic sequences. While this use of NHEJ via highly precise nucleases such as CRISPR/Cas can be effective in knocking out a mutated gene, it can also result in the introduction of undesirable chromosomal alterations.

The HDR and NHEJ repair pathways are illustrated in the diagram below:

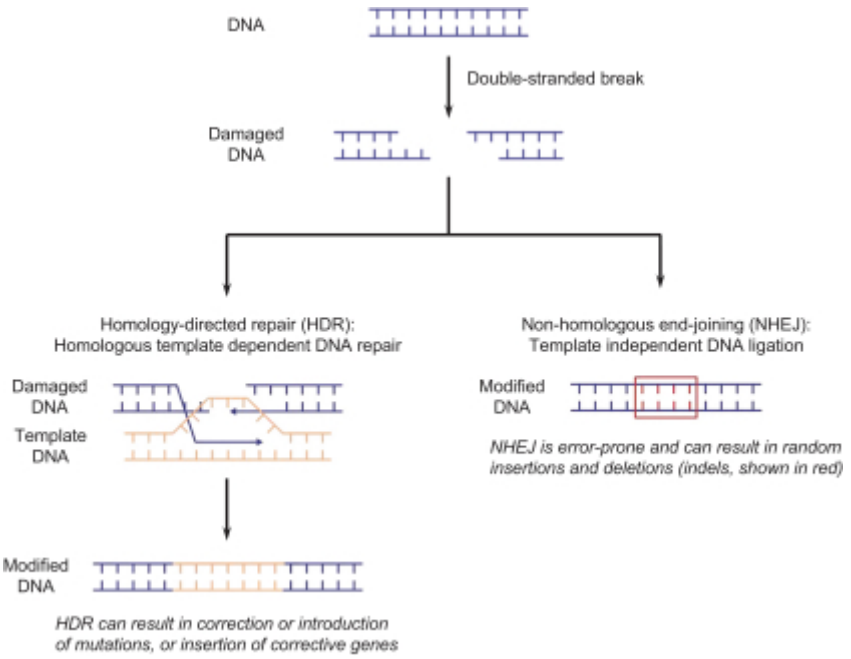


Figure 1. HDR and NHEJ repair pathways.

Limitations of nuclease-based gene editing

- **Nucleases can cause on- and off-target mutations**. Conventional gene editing technologies can result in genotoxicity, including chromosomal alterations, based on the error-prone NHEJ process and potential off-target nuclease activity.

- **Delivery of gene editing components to cells is complex**. Gene editing requires delivering multiple components into a cell at the same time with a high rate of insertion, or "transfection." While there are several delivery challenges to be overcome, limitations of the payload size of most commonly used cell delivery technologies, particularly viral vectors, is among the most significant.

- **Bacterially-derived nucleases are immunogenic**. Some nucleases used in conventional gene editing approaches are bacterially-derived, which means that there is a higher potential that any particular patient will have preexisting immunogenicity to the nuclease.

Because of these limitations, as well as others, gene editing has been primarily restricted to *ex vivo* applications in cells.

Our GeneTether Platform for Gene Correction and Gene Complementation

Advancements in the field of gene editing is largely driven by identification and remediation of inefficiencies in the underlying technologies, including in the delivery of gene editing payloads into cells and location-specific cutting. In this context, efficiency is the number of times a desired outcome occurs versus the maximum number of times it could have occurred. For example, the Nobel Prize-winning identification of CRISPR/Cas9 represented a significant advancement in the efficiency of cutting DNA at a precise location. Earlier gene editing tools suffered from template DNA integrating in mostly random locations, rand had a low efficiency rate of "on target" gene editing. CRISPR/Cas9 and its analogues now allow highly efficient rates of cutting at the desired location of a gene, thereby increasing on-target, therapeutically-beneficial, effects and significantly reducing the number of off-target random integration of template DNA.

We developed our GeneTether platform to address one of the major inefficiencies in gene correction and complementation – the inability to introduce a donor DNA template at the site of a nuclease-mediated DNA strand break on a consistent and highly efficient manner. In most current gene correction and complementation approaches, the vast majority of strand breaks are repaired by NHEJ rather than HDR. This is due to the fact that donor DNA templates are simply diffused into cells as part of the gene editing payload and are rarely in close enough proximity to the strand break at initiation of the cells' repair function to promote HDR. This insertion inefficiency mean larger payloads, lower efficacy, greater safety concerns, and more difficulties dosing *in vivo*. Collectively, these and other problems stemming from inefficient insertion of donor DNA templates have significantly hampered development of gene correction and complementation therapies to date.

The GeneTether Platform

Our proprietary GeneTether platform leverages the notion that the HDR pathway will predominate when a donor DNA template is in close proximity at the time a DNA strand break occurs. The platform is comprised of a guide RNA, a nuclease fusion protein, and a donor DNA template. The nuclease and donor DNA template are both modified with DNA binding proteins that "tether" the nuclease to the donor DNA template. We refer to these DNA binding proteins as "GeneTethers." The GeneTether ensures the donor DNA template is carried along with the nuclease to the site of the desired DNA strand break. The result is that at the time the nuclease creates a DNA strand break, the donor DNA template is located in such close proximity that the HDR pathway is activated and the donor DNA template is incorporated into the repair. We believe that by co-locating the nuclease and the donor DNA template using our GeneTether platform

we can achieve highly efficient gene correction and gene complementation compared to other gene editing systems. This in turn is expected to allow the development of gene editing therapies that are superior in efficacy, safety, flexibility, and cost.

DNA-binding proteins

DNA-binding proteins are proteins that have DNA-binding domains and thus have a specific or general affinity for single- or double-stranded DNA. Protein–DNA interactions occur when a protein binds a molecule of DNA, often to regulate the biological function of DNA, including gene expression. Among the proteins that bind to DNA are transcription factors that activate or repress gene expression by binding to DNA sequence motifs. Zinc finger proteins have been designed to bind to specific DNA sequences, which is the basis of zinc finger nucleases, an early type of gene editing nuclease. Another type of gene editing nuclease, transcription activator-like effector nucleases (TALENs), are based on natural gene expression regulatory proteins secreted by Xanthomonas bacteria via their type III secretion system when they infect various plant species.

Our GeneTether platform takes advantage of the binding properties of these proteins by adding a DNA-binding protein to the amino or carboxy terminus of a CRISPR/Cas or other type of gene editing nuclease, which in turn binds to a donor DNA template. The result of this "tethering" of the nuclease and donor DNA template is that the donor DNA templates necessary for gene correction or complementation are given the same precise genetic address as the nuclease, which in the case of CRISPR/Cas9 is highly specific to the desired cutting location. The primary DNA-binding protein currently utilized in our GeneTether platform is a lactose-inducible lac operon transcriptional repressor protein, also referred to as a lac repressor (lacR). We are evaluating the characteristics of other DNA-binding proteins for their utility in our GeneTether platform. We are also exploring the possibility of designing and manufacturing additional proprietary DNA-binding proteins that have enhanced utility across multiple genes and cell lines.

Lactose repressor proteins

LacR is a DNA-binding protein that inhibits the expression of genes coding for proteins involved in the metabolism of lactose in bacteria. These genes are repressed when lactose is not available to the cell, ensuring that the bacterium only invests energy in the production of machinery necessary for uptake and utilization of lactose when lactose is present. When lactose becomes available, it is converted into allolactose, which inhibits the lac repressor's DNA binding ability, thereby increasing gene expression.

Structurally, lacR is a homotetramer. More precisely, the tetramer contains two DNA-binding subunits composed of two monomers each (a dimer of dimers). Each monomer consists of four distinct regions:

- An N-terminal DNA-binding domain (in which two LacR proteins bind a single operator site);
- A regulatory domain (sometimes called the core domain, which binds allolactose, an allosteric effector molecule);
- A linker that connects the DNA-binding domain with the core domain; and
- A C-terminal tetramerization region, which joins four monomers in an alpha-helix bundle).

LacR-DNA binding occurs via an N-terminal helix-turn-helix structural motif and is targeted to one of several operator DNA sequences (known as O1, O2 and O3) at the beginning of the lactose operon. The O1 operator sequence slightly overlaps with the promoter, which increases the affinity of RNA polymerase for the

promoter sequence such that it cannot initiate transcription and thus prevents expression of the lactose metabolizing genes.

Delivery systems

Delivery of gene editing payloads into cells is a critical step to ensure that a therapeutic will be effective. We believe our therapies based on our GeneTether platform can be delivered using existing lipid nanoparticle (LNP) and viral vectors such as AAVs and helper-dependent adenoviruses. We are working internally and are in discussions with potential third-party collaborators to evaluate and optimize viral and non-viral delivery technologies, including various types of LNP and AAV, and a class of polymeric nanoparticles known as cationic polymers for delivery into skin cells. In addition, we are evaluating external collaborations to develop next-generation delivery technologies that will allow us to access, *in vivo*, organs and tissues that are currently less accessible. These collaborations may also lead to the development of new, patentable technologies that could provide additional intellectual property protection for our GeneTether platform.

Advantages of our GeneTether Platform

- **Driving HDR with high efficiency**. We believe that our GeneTether platform is capable of driving the cellular repair of nuclease-mediated double strand breaks towards HDR in a highly efficient manner. The result is a significantly greater number of cells undergoing HDR-mediated repair utilizing the donor DNA template than in current gene correction and complementation methods.

- **Lower concentrations of donor DNA templates**. By driving HDR and the corresponding utilization of donor DNA templates in a highly efficient manner, fewer donor DNA templates will need to be introduced into cells. We believe that introduction of fewer donor DNA templates will lower cytotoxicity, further increasing the efficiency of therapeutics developed with our GeneTether platform. Additionally, lower donor DNA template concentrations reduces the risk of off-target mutations due to random insertion of those templates into the genome.

- **Flexibility in method of delivery**. Gene correction and complementation therapies based on our GeneTether platform can be designed to deliver a complete fusion protein containing a tethered donor DNA template in a number of ways including via plasmid, ribonucleoprotein (RNP), or mRNA. Cellular transfection can be effected by chemical method, engineered LNPs, electroporation, or microinjection. Viral genomes can also be designed to encode an entire GeneTether-based payload, such that following transfection, the GeneTether construct is produced and assembled within the cell. We are actively assessing potential delivery technology collaborations with both academic and commercial partners.

- **Greater likelihood of safe *in vivo* therapeutics**. By significantly increasing the availability of donor DNA templates at the site of nuclease-mediated strand breaks, we believe our GeneTether platform lowers potential of repair taking place via NHEJ. Correspondingly, the frequency of NHEJ-related genotoxicity is lowered, making *in vivo* applications more feasible.

- **Correction and complementation of larger donor DNA templates**. We believe that our GeneTether platform is capable of tethering donor DNA templates that are several thousand basepairs in size. Subject to the development of delivery techniques that can incorporate such

large payloads, this has the potential to allow the repair of a large number of genetic diseases that are not treatable by many current gene editing techniques. Delivering these larger donor DNA templates may also enable the correction of multiple mutations at more than one location in a target gene.

Proof of concept studies for preclinical work

Human HEK293 cells

In our initial proof-of-concept experiment, we attempted to insert a donor DNA template containing the delF508 mutation into exon 11 of a normal CFTR (cystic fibrosis transmembrane conductance regulator) gene in human HEK293 cells. Several variables for the effect of GeneTether modified and unmodified CRISPR/Cas9 vectors on gene editing efficiency were tested: a lactose repressor-Cas9 fusion protein, Cas9 guides complementary to the top or bottom strand of genomic target, and 500 bp donor DNA molecules containing the delF508 deletion with the lactose operator sequence at the 5′ or 3′ end of the donor DNA fragment. Each combination was tested with and without the use of our GeneTether platform. Certain control combinations with no guide RNA and/or no donor DNA template were also tested.

The results of each combination can be seen represented in graphical form in Figure 2 below. The combination of our GeneTether "pGT1 vector" (lactose repressor-Cas9 fusion) with the 130117 guide (genomic target forward strand) and lactose operator on the 3′ end of donor DNA demonstrates higher gene editing efficiency (Lane 6) as compared to the untethered "px458 vector" with Cas9 and the same guide and donor DNA fragment (Lane 2). GeneTether's pGT1 showed an approximately 7x higher gene editing efficiency compared to the untethered px458. Quantification of gene editing in Lane 6 suggests the delF508 mutation is present in approximately 5-10% of the genomic DNA. Since transfection efficiencies for these experiments were approximately 5-10%, over 50% of cells transfected with the combination of pGT1/130117guide/3′ lactose operator sequence appear to have had successful gene editing.

Other combinations of pGT1/guide/donor DNA performed similar to, or slightly better than, unmodified Cas9 for gene editing, demonstrating that the Cas9 protein activity was not affected by the lactose repressor fusion (compare lanes 1 and 5, 2 and 6, 3 and 7, 4 and 8). The placement of the lactose operator sequence may favor the 3′ placement. Donor DNA transfected with px458 not containing guide sequence showed low levels of gene editing (Lanes 9 and 10).

The results of this study show that tethering a donor DNA template to a CRISPR/Cas9 construct has the ability to significantly increase the number of double strand breaks that are repaired via HDR, thus incorporating the desired donor DNA template, versus an identical CRISPR/Cas9 construct that does not tether its donor DNA template. While these results are promising, they must be replicated in additional cell types and genome locations. These variations can result in different editing efficiencies by unmodified CRISPR/Cas9 constructs and other gene editing tools, and it is yet unknown the effect GeneTether will have when applied to these variations. Additionally, cell delivery technologies and guide RNA sequences have a direct impact on editing efficiencies and must be optimized for each particular application.

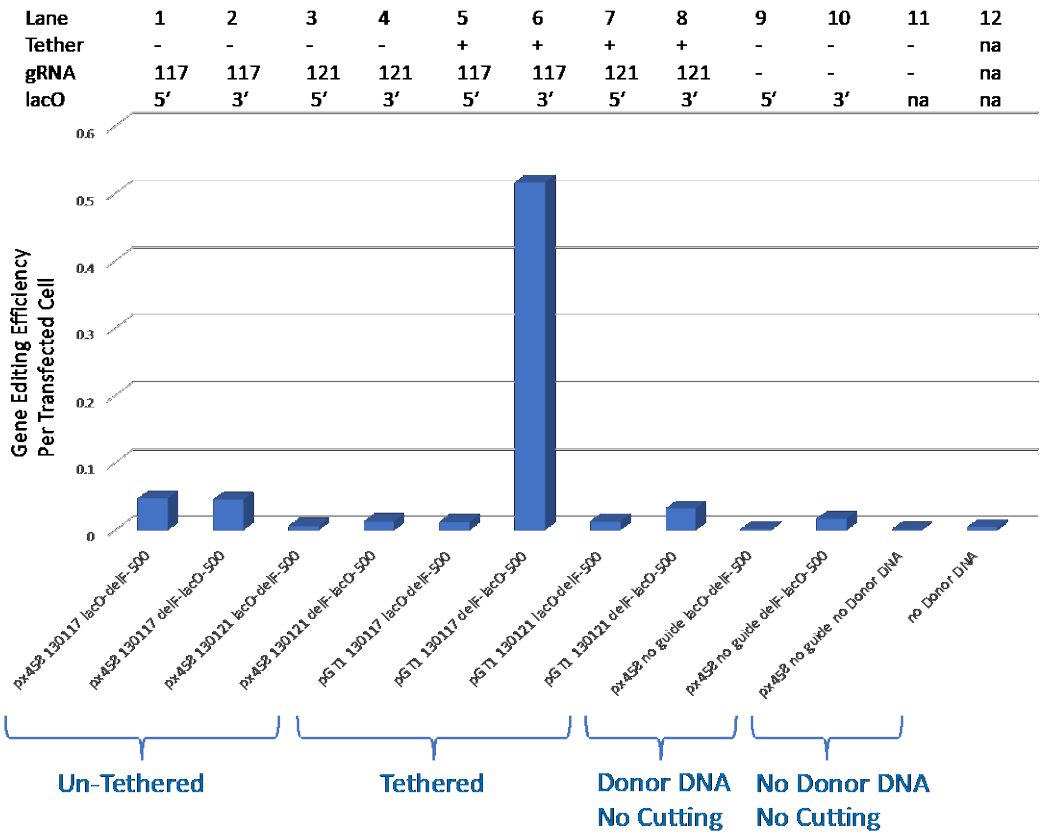


Figure 2. –Proof of Concept Results to be Used for Preclinical Studies

Bovine egg and embryonic stem cells; porcine embryos

We are currently engaged in a series of preclinical studies of our GeneTether platform with University of California, Davis. These studies are designed to insert donor DNA templates into the Hipp11 (H11) safe harbour locus of bovine embryonic stem cells and bovine egg cells, and the androgen receptor gene of porcine embryos. Following PCR analysis for evidence of gene insertions, a comparative analysis of insertion efficiency will be made between the study arms that utilize the GeneTether platform versus the arms that used the same nuclease, guide RNA, and donor DNA templates without the GeneTether platform. In addition to comparative insertion efficiencies, these experiments are expected to provide important information regarding blastocyte rates (in the case of egg cells), mutation rates, off-target events, and levels of mosaicism.

Zebrafish

We are engaged in a series of preclinical studies of our GeneTether platform in zebrafish (*Danio rerio*). Zebrafish have certain characteristics, including a large number of progeny, external development of larvae, a fast life cycle, small size, and transparency, which allow for faster, less expensive gene editing experimentation than in mammalian models. Additionally, approximately 83% of human disease-related genes have functional orthologs in zebrafish, suggesting that human pathologies can be faithfully modeled in zebrafish.

In these zebrafish studies our GeneTether platform will be used to insert a donor DNA template that codes for the *melanocyte-inducing transcription factor* (*mitfa*) gene into the *tyrosinase* locus of zebrafish embryos at the one-cell zygote stage. The gene editing nuclease used in these studies is CRISPR/Cas9. The *mitfa* gene encodes a zebrafish orthologue of the microphthalmia-associated transcription factor (*MITF*). *MITF* regulates expression of numerous pigmentation genes to promote melanocyte differentiation, as well as fundamental genes for maintaining cell homeostasis, including genes encoding proteins involved in apoptosis and the cell cycle. Loss-of-function mutations of *MITF* cause Waardenburg syndrome type IIA, whose phenotypes include depigmentation due to melanocyte loss, whereas amplification or specific mutation of *MITF* can be an oncogenic event that is seen in a subset of familial or sporadic melanomas.

These studies will include a dose ranging arm, which will provide a toxicity curve for the GeneTether fusion protein and allow identification of the highest non-toxic concentration for use in the efficacy arms. The efficacy arms will utilize pigment quantification, among other things, as an index of the efficacy of our GeneTether platform in inserting the *mitfa* gene via HDR as compared to a standard CRISPR/Cas9 construct. Other measurements include a comparative analysis of on- and off-target mutations and INDEL formation.

We believe that zebrafish models may also prove useful in our preclinical proof of concept studies for the rare, monogenic kidney diseases described below. In recent years, the zebrafish model has been used to study glomerular function and disease, as zebrafish larvae's pronephros, which is composed of two bilateral pronephric ducts linked with fused glomeruli in the midline of the larvae, is very similar to the human metanephros. The pronephros tubular epithelium is composed of two proximal convoluted tubules, two proximal straight tubules, two distal early and distal late tubule segments, and a pronephric duct. The main difference between the pronephros of the zebrafish and the mammalian partner is that the pronephros does not have a thin limb segment between the proximal straight tubule and the thick ascending limb. The glomerulus of the pronephros contains podocytes, glomerular basement membrane fenestrated endothelial cells, and mesangial cells. Glomerular filtration begins as early as 48 h post-fertilization (hpf) and a fully functioning pronephros of zebrafish larvae is fully developed within 72 hpf.

Our GeneTether Platform for Rare, Monogenic Kidney Diseases

We are developing gene correction and complementation therapies based our GeneTether platform for the treatment of patients with chronic kidney disease (CKD) caused by rare, monogenic kidney diseases, including autosomal dominant tubulo-interstitial diseases, autosomal dominant polycystic kidney disease, Alport syndrome, and other rare forms of CKD. A survey reported in 2019 identified 625 monogenic disorders associated with kidney and urological traits, with the number of gene-disease associations continuing to grow as technological advancements increase the throughput of genomic sequencing. Current treatment strategies generally only address symptom management and prolonging the time to end-stage kidney disease (ESKD) and eventual kidney transplant. We intend to investigate whether gene correction and complementation strategies based on our GeneTether platform might offer a permanent curative therapy for patients suffering from these diseases.

As discussed in more detail below, we have identified certain monogenic kidney diseases where the underlying genetic mutation resulting in the disease has been identified and a gene correction or complementation strategy appears to be a feasible solution. With our GeneTether platform, we intend to investigate whether we can effectively insert donor DNA templates with copies of the genetic information necessary to cure the underlying disease, either through a correction or a complementation strategy.

Because of the attributes of our GeneTether platform, we believe we can correct DNA mutations ranging in size from single nucleotide point mutations to entire genes that are several thousand basepairs in size.

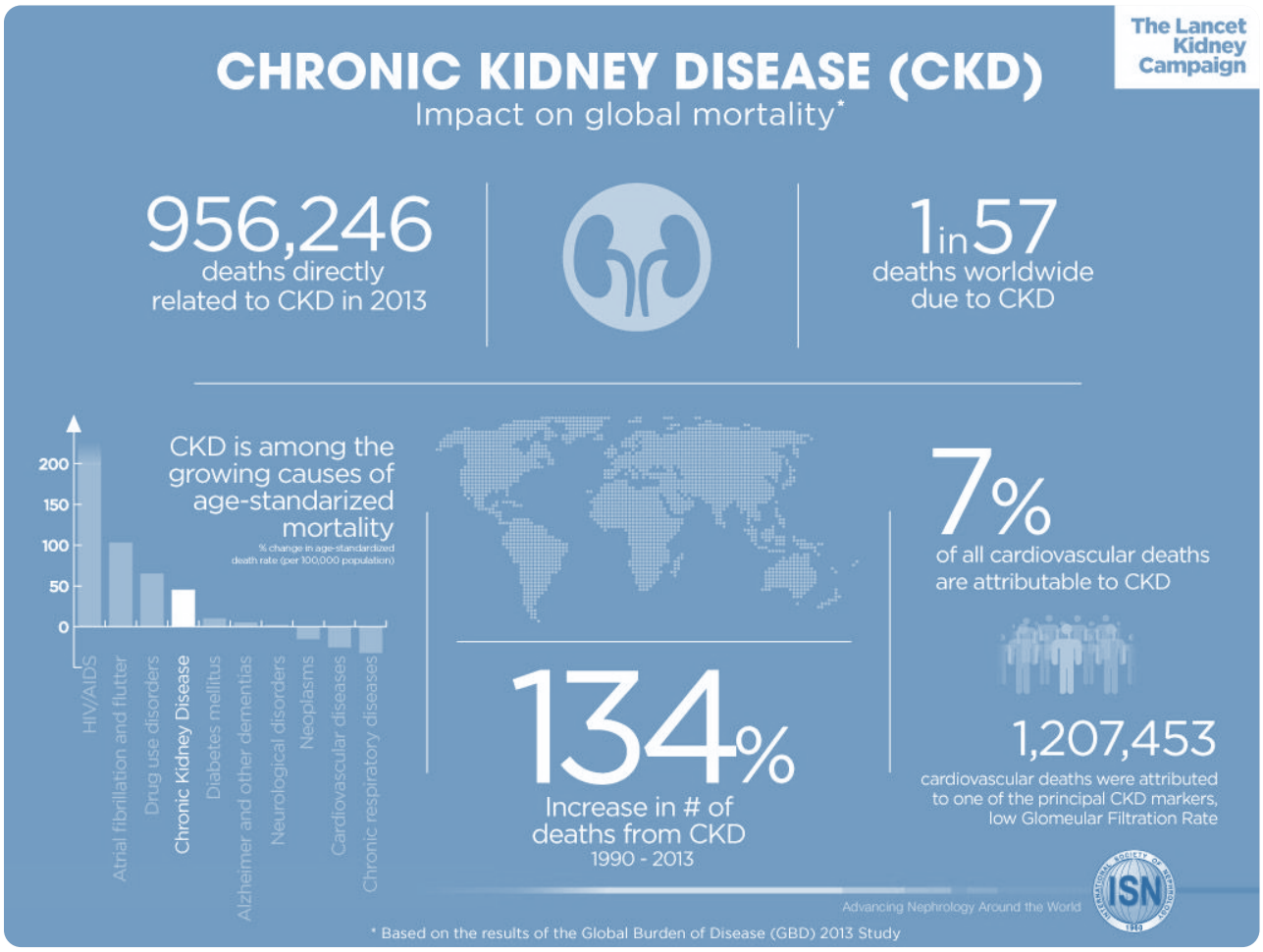
Specific delivery of genetic material to the kidney is challenging. The filtering properties and complex anatomical structure of the kidney result in only transient exposure of the vehicle containing the gene editing payload to the desired nephrotic cells. However, there are examples of both viral and non-viral delivery of transgenes to the kidney. Non-viral systems to deliver transgenes to the kidney include polyethyleneimine nanoparticles, liposomal nanoparticles and gelatin nanoparticles. Adeno-associated virus delivery offers the most promising route of administration for the kidney due to its ability to deliver to both dividing and non-dividing cells, and its ability to induce cell and tissue tropism. Delivery of viral and non-viral vehicles containing gene editing payloads directly to renal tubular cells *in vivo* using a retrograde ureteral approach and renal vein injection has been demonstrated by third parties and we intend to evaluate these approaches as part of our development program.

Our intention is to conduct preclinical feasibility and proof of concept studies for each of the specific genetic kidney diseases described below in validated, clinically relevant animal models. In addition, we plan to continue refinement of our delivery techniques to enhance our ability to deliver therapies based on our GeneTether platform directly to the desired kidney cells with a high level of specificity. As our lead indications and applicable product candidates are identified, we will work to complete the activities required for submission of an investigational new drug (IND) application to FDA.

Because of the characteristics of the genetic kidney diseases we are attempting to treat, including their likely status as rare diseases, and the potential permanent curative effect of our GeneTether-based therapies, we believe we will be able to avail ourselves of certain programs in the United States that may result in smaller and/or fewer clinical studies being required for approval, as well as faster development and regulatory review timelines. We expect that some of these programs will be available to us relatively early in our development programs, including around the time of any IND applications that we may in the future submit, or even before. See "*Fast track, breakthrough therapy, priority review and regenerative medicine advanced therapy designations*", "*Accelerated approval pathway"*, and "*Orphan drug designation"*.

Chronic kidney disease

CKD is characterized by a progressive loss in the rate at which the kidney is filtering blood, called the glomerular filtration rate (GFR). Declining GFR leads to the buildup of high levels of waste products in the blood that causes the patient to suffer symptoms, such as nausea and fatigue, and to develop complications including high blood pressure, anemia, weak bones, poor nutritional health, and nerve damage. eGFR is an estimate of GFR that nephrologists use to track the decline in kidney function and progression of CKD. When eGFR declines to approximately 15 mL/min/1.73 m2 or below, patients generally develop ESKD and require dialysis or a kidney transplant to survive. Dialysis can lead to a significantly reduced quality of life. Most patients must be treated at a dialysis clinic three times a week for the remainder of their life. Dialysis also increases the likelihood of serious and life-threatening complications, including cardiovascular disease. As shown in the statistics from the "Global Burden of Disease 2013 Study" set forth below, the impact of CKD on global mortality is significant.



The five-year survival rate for dialysis patients is approximately 42%. According to the Centers for Disease Control and Prevention, there are more than 750,000 ESKD patients in the United States. It is estimated that more than ten percent of adults and nearly all children with ESKD suffer from a rare kidney disease. According to the United States Renal Data System 2019 Annual Data Report, Medicare spending for CKD in 2017 was in excess of $120 billion, of which approximately $36 billion was spent on patients with ESKD. Other than tolvaptan, which is approved for autosomal dominant polycystic kidney disease, most approved therapies in the United States that affect disease progression for any form of CKD are blood pressure medications, ACE inhibitors, and ARBs, which modestly slow the rate of kidney function loss. Farxiga, an SGLT2 inhibitor, and Kerendia, a selective mineralocorticoid receptor antagonist, were both approved for CKD in the United States 2021.

Chronic kidney disease is a complex heterogeneous disease, with contributions from both genomic and environmental factors, with heritability estimated to be between 30 and 75%. A recent study suggests that at least 35 genes are linked to the risk of CKD, though there is significant ongoing research required to more fully understand the relationship between genetic mutations and CKD. We are engaged in ongoing evaluation and design of GeneTether-based gene editing therapies for monogenic subsets of CKD, with an initial focus on the diseases described below.

Autosomal dominant tubulo-interstitial diseases – UMOD

Autosomal dominant tubulo-interstitial kidney disease (ADTKD) is a recently defined group of rare kidney diseases characterized by tubular damage and interstitial fibrosis in the absence of glomerular lesions, with progression to ESKD. These diseases have long been under-recognized, in part due to confusing and inconsistent terminology. The introduction of a gene-based, unifying terminology led to the identification of an increasing number of cases, with recent data suggesting that ADTKD is one of the more common groups of monogenic kidney diseases after autosomal dominant polycystic kidney diseases, accounting for approximately 5% of monogenic disorders causing CKD. ADTKD is caused by mutations in at least five different genes, including *UMOD, MUC1, REN, HNF1B* and, more rarely, *SEC61A1*. These genes encode various proteins with renal and extra-renal functions.

ADTKD-*UMOD* is thought to be the most common subtype of ADTKD and the most common genetic kidney disease after ADPKD. With an estimated incidence of nine in one million, it accounts for approximately 3% of patients with a monogenic cause of CKD, though it may be underdiagnosed due to non-specific renal pathology, lack of confirmatory genetic testing, lack of physician awareness, and improper evaluation of family history. While ADTKD has not been designated as a rare disease by FDA to date, the estimated incidence rate in the United States is within the range that is generally expected to be necessary for such designation.

ADTKD-*UMOD* is characterized by mutations in the UMOD gene, of which over 90% are missense mutations. UMOD encodes for the production of uromodulin (also known as Tamm-Horsfall), a 95 kDa protein that is secreted in urine and serves to protect the kidney from infection and kidney stones. Additionally, uromodulin plays a role in salt regulation and immunomodulation. Uromodulin consists of cysteine-rich domain (D8C), four epithelial growth factor domains and a C-terminal Zola Pellucida domain. The protein is exclusively expressed in the kidney, mainly in the thick ascending limb (TAL) of the Loop of Henle as well as in epithelial cells of the distal tubule of the kidney. *UMOD* consists of 15 exons, with over 95% of *UMOD* mutations occurring in exons 3 and 4 (Figure 3). We believe this represents an opportunity to develop a single treatment for mutations in this region by using our GeneTether technology to correct a locus that fully encompasses exons 3 and 4. Many *UMOD* mutations result in misfolded uromodulin which results in retention of the protein in the endoplasmic reticulum (ER) of tubular cells, contributing to the progression of CKD to ESKD. Increased intracellular levels of misfolded uromodulin affects ER homeostasis, resulting in ER stress. *UMOD* mutations are believed to be associated with increased risk of CKD across multiple ethnic groups.

Patients generally present with gout and hyperuricemia due to reduced fractional excretion rate of urate at an early age, although such symptoms are not specific for ADTKD-*UMOD*. One common trait is a decrease in levels of urinary uromodulin. There is currently no cure for ADTKD-*UMOD*, with onset of ESKD generally occurring between 30 and 70 years of age, and is not well understood. The symptoms of gout can be treated with allopurinol or febuxostat, however they are not curative and only delay the onset of ESKD. The preferred option for treatment is kidney transplant. Due to the genetic role in the disease, ADTKD-UMOD typically does not recur in transplant patients.

The *UMOD* locus is highly conserved between humans and mice. Transgenic mouse models with human relevant C148W and C217G *UMOD* mutations have been developed and appear to have utility in the development of treatments for ADTKD-*UMOD*, including gene correction and complementation therapies. The mouse models carrying mutant uromodulin isoforms show toxic gain-of-function that is not observed

in *UMOD* knockout mice. Uromodulin accumulation in the ER and reduced concentration of uromodulin in the urine is shown in these animal models. Progressive kidney disease is observed in all transgenic *UMOD* mutant mouse models, as evidenced by tubulointerstitial fibrosis, increased inflammatory cell response, tubule dilation, improper urinary concentration and renal failure. These observations are consistent with biopsies of ADTKD-*UMOD* patient kidney specimens.

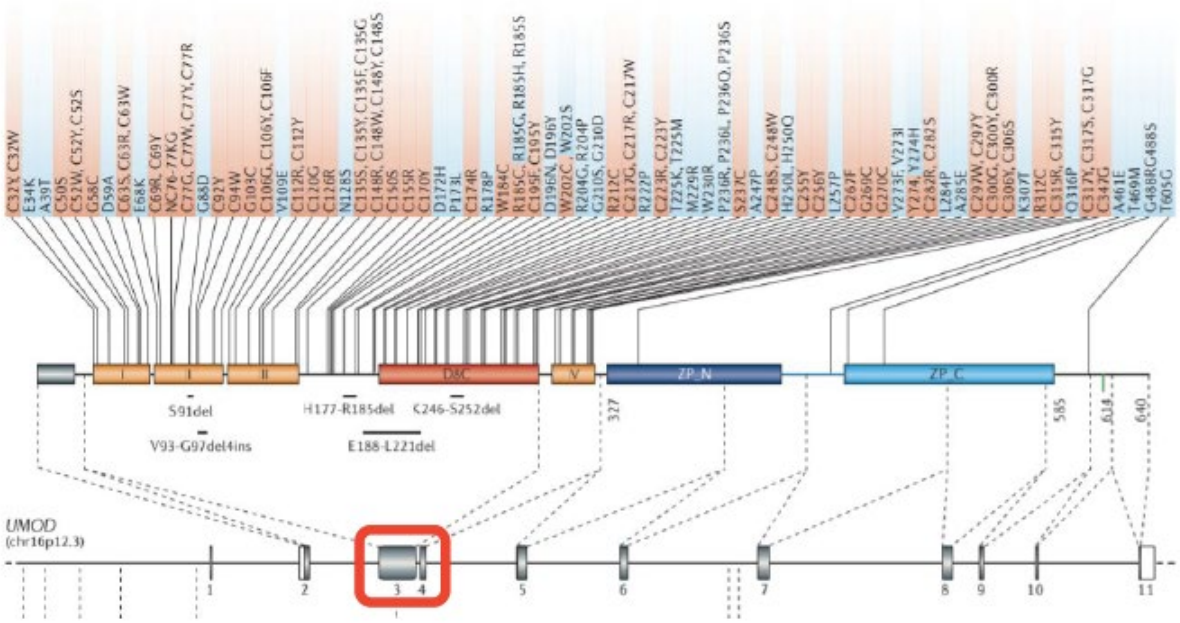


Figure 3. UMOD gene and protein domain structure with majority of known genetic variants isolated to exon 3 and 4.

Autosomal Dominant Polycystic Kidney Disease

Autosomal dominant polycystic kidney disease (ADPKD) is a rare, genetic kidney disease predominantly caused by a defect in the *PKD1* or *PKD2* gene and is characterized by formation of fluid-filled cysts in the kidneys and other organs. Cyst growth can cause the kidneys to expand up to five to seven times their normal volume, leading to pain and progressive loss of kidney function. *PKD1* is the most common mutation, causing about 85% of ADPKD cases. ADPKD typically leads to renal insufficiency and is estimated to be responsible for up to 10% of all cases of ESKD.

ADPKD affects both men and women of all racial and ethnic groups and is the leading inheritable cause of kidney failure with an estimated diagnosed population of 140,000 people in the United States and 12.5 million people worldwide. ADPKD has been designated an orphan disease by FDA.

Renal manifestations of ADPKD include cysts formation, increased kidney volume, kidney stones, urinary tract infection, abdominal pain, and ESKD. ADPKD also manifests in many ways beyond the kidney, including cysts in the liver, pancreas, spleen and central nervous system, cerebral aneurysms, polycystic liver disease, diverticular disease, and mitral valve prolapse.

There is currently no curative therapy for ADPKD, with the current standard of care focusing on symptom management and slowing disease progression. Lifestyle changes such as increased hydration, weight management, reduced dietary sodium and protein intake may be beneficial. Symptom management of

ADPKD focuses on cardiovascular health, infection, pain, and screening for aneurysms. Cardiovascular disease is the leading cause of death for patients, therefore controlling blood pressure and management of cardiovascular risk factors are important. Cyst infections can be difficult to diagnose and treat as some broad-spectrum antibiotics are unable to penetrate the cyst. Pain management can also be difficult as acute pain can result from a number of factors such as infection, cyst rupture or hemorrhage, diverticulitis and kidney stones. About 6% of ADPKD patients are at risk of developing intracranial aneurysms (ICA) where there is no family history of ICA, versus about 15% of patients with a family history of ICA.

The *PKD1* gene encodes for polycystin-1 (PC1), a G-protein coupled receptor (GPCR) consisting of 11 transmembrane domains, a proteolytic site and a short carboxy terminal coiled coil domain. PC1 forms a functional complex with a calcium channel protein, polycystin-2 (PC2) through the C-terminal tail of PC1. The PC1/PC2 complex serves to regulate renal cell growth, fluid secretion, tubular morphology and mitochondrial energy production. PC1 and PC2 reside in the primary cilium, a microtubule-based structure that extends from the apical membrane of tubular cells into the lumen.

Mutations that result in truncation of PC1 (frameshifting, nonsense mutations, and splicing) account for 70% of *PKD1* disease associated patients. Truncating mutations are associated with earlier onset of ESKD compared to non-truncating mutations, with a higher risk in males. While genotype-phenotype correlations have been difficult to identify in ADPKD patients, there is some indication that patients with mutations in the 5' region of *PKD1* tend to develop more severe disease and risk of aneurysm and earlier onset of ESKD compared to patients with mutations in the 3' region. Because ADPKD is a monogenic disorder, gene correction or complementation to restore *PKD1* gene function may enable the restoration of functional PC1, and result in a potentially permanent cure.

Animal models and kidney organoids derived from human induced pluripotent stem cells have been used to study disease progression and targeted therapeutic approaches for ADPKD. When mutant PKD2 mice were crossed with transgenic mice carrying human *PKD2*, all PC2 associated disease phenotypes were rescued, showing that restoration of function PC1/PC2 can impact the progression of ADPKD in animals. A PKD1 mouse model carrying a clinically relevant *PKD1* allele has been developed in which the mice exhibit a slow progression of the disease and has been validated in preclinical studies. Cynomulgus monkey models of ADPKD carrying *PKD1* mutations have been developed that recapitulate the onset progression of the disease in humans. These and other models may prove useful as a system for assessing gene correction or complementation therapies based on our GeneTether platform.

Alport syndrome

Alport syndrome (AS) is a rare, genetic kidney disease that affects the glomerular basement membrane (GBM) of the kidney, resulting in progressive kidney impairment leading to ESKD. AS can also disrupt the basement membrane within the eye and ear. The GBM regulates the passage of blood cells and proteins to the urinary tract. A key component of the GBM is collagen IV, a protein composed that promotes membrane stability and is composed of six different collagen IV chains, α1 to α6.

AS results from mutations in one of three genes, *COL4A3*, *COL4A4*, or *COL4A5*, which leads to defects in α3, α4 and α5 collagen IV, respectively. These α-chain mutations lead to thinning, thickening, or splitting of the GBM, resulting in chronic inflammation, blood and protein in the urine, decline in GFR, and eventually fibrosis. AS is subdivided into X-linked (XLAS), autosomal dominant (ADAS) and autosomal recessive (ARAS).

XLAS results from mutations in *COL4A5*, whereas mutations in *COL4A3* and *COL4A4* account for ADAS and ARAS.

The incidence of AS is estimated at one in 5,000-10,000 individuals, with an estimated patient population of 30,000 – 60,000 in the United States. Of these cases, 80% are classified as XLAS, 15% as ARAS and 5% as ADAS. Approximately 90% of male patients and 12% of female patients with XLAS reach ESKD by 40 years of age. AS has been designated an orphan disease by FDA.

Currently, there are no approved therapies for AS and patients are commonly treated off-label with angiotensin-converting enzyme (ACE) inhibitors or angiotensin receptor blockers (ARB). Early diagnosis and initiation of these treatments are known to delay, but not prevent, progression to ESKD.

Patient-derived podocyte cell lines with mutations in the *COL4A3* and *COL4A5* genes, as well as clinically-relevant mouse models of AS based on these mutations have been developed and are in use for development of AS therapies. We intend to utilize these models in the evaluation and testing of our GeneTether gene correction and complementation therapies for AS.

Our GeneTether Platform for Rare, Monogenic Skin Diseases

We are developing gene correction and complementation therapies based our GeneTether platform for the treatment of patients with certain rare, monogenic skin diseases, including epidermolysis bullosa (EB) and Netherton syndrome (NS). Genetic skin disorders, or genodermatoses, represent a broad and somewhat confusing spectrum of rare diseases with confluent and overlapping phenotypes that often impede a precise diagnosis in an affected individual. High-throughput sequencing techniques have expedited the identification of novel genes and have dramatically simplified the establishment of genetic diagnoses in such heterogeneous disorders. Understanding the underlying pathophysiology is a prerequisite to understanding the disease and developing specific, targeted or individualized therapeutic approaches.

We have identified EB and NS as our initial targets in this area due to their well-characterized underlying genetic mutations, the significant unmet need for curative treatments, and the potential of applying our therapies directly to the skin *in vivo*. We believe that our GeneTether platform can effectively insert donor DNA templates with copies of the genetic information necessary to cure the underlying disease, either through a correction strategy or a complementation strategy. Because of the attributes of our GeneTether platform, we believe we can correct DNA mutations ranging in size from single nucleotide point mutations to entire genes that are several thousand basepairs in size.

The skin naturally acts as a protective barrier and, generally, only small molecular weight (<800 Da) and moderately lipophilic (logP 1-3) molecules are absorbed. Despite these size and physical restrictions, we believe that currently existing technologies support the delivery of genetic payloads to the skin *in vivo* through both viral vectors and non-viral vectors. We believe that topical, *in vivo* delivery of gene therapies for skin disorders would offer a significant advantage over other therapeutic interventions that require repeated biopsies, injections or skin grafts on afflicted areas.

Non-viral polymeric vectors, including highly branched poly(β-amino ester)s (HPAEs), are a promising class of vector for delivery of gene therapies to the skin. Compared with viral vectors, polymeric vectors have multiple advantages: (i) they do not integrate into the host genome and thus exhibit a high biosafety profile with minimal immunogenicity and pathogenicity; (ii) they have a greater capacity for delivering large gene

segments than viruses; (iii) their synthesized nature and design flexibility enable a good balance in efficiency and safety; and (iv) they are convenient for scalable manufacturing. As a major category of non-viral candidates, polymeric vectors such as poly(ethylene imine) (PEI), poly(L-lysine) (PLL), poly(β-amino esters) (PAEs) and poly[2-(dimethylamino)ethyl methacrylate] (PDMAEMA) have shown great promise for delivering therapeutic gene constructs in a host of disease conditions. Polyethyleneimine (PEI) is one the most commonly used cationic polymers for skin applications due to its high transfection efficiency and facile endosomal escape. Derivatives such as poly-β-amino esters are next-generation PEI vectors that exhibit increased transfection efficiency (comparable with viral vectors) and can degrade into small non-toxic molecules, thus reducing cytotoxicity. Next generation cationic polymers are shown to induce high transfection efficiency in keratinocytes and fibroblasts and have been used to deliver mini-circle COL7A1 cDNA in animal models of RDEB in high efficiency. We are currently evaluating the use of polymeric vectors, including PEIs, for delivery of GeneTether-based therapeutics into the skin for the treatment of monogenic skin disorders, including EB and NS.

Our intention is to conduct preclinical feasibility and proof of concept studies for each of EB and NS in validated, clinically relevant animal models. In addition, we plan to continue refinement of our delivery techniques to enhance our ability to deliver therapies based on our GeneTether platform directly to the desired epithelial cells with a high level of specificity. As our lead indications and applicable product candidates are identified, we will work to complete the activities required for submission of an investigational new drug (IND) application to FDA.

Because of the characteristics of EB and NS, including their status as rare diseases, and the potential permanent curative effect of our GeneTether-based therapies, we believe we will be able to avail ourselves of certain programs in the United States that may result in smaller and/or fewer clinical studies being required for approval, as well as faster development and regulatory review timelines. We expect that some of these programs will be available to us relatively early in our development programs, including around the time of any IND applications that we may in the future submit, or even before. See "*Fast track, breakthrough therapy, priority review and regenerative medicine advanced therapy designations*", "*Accelerated approval pathway"*, and "*Orphan drug designation"*.

Epidermolysis bullosa

Epidermolysis Bullosa (EB) is a class of rare, genetic skin fragility disorders that result in blistering of the skin when subjected to mechanical trauma. There are four subtypes of EB. The most common type, Epidermolysis Bullosa Simplex (EBS) is associated with mutations in the *KRT5*, *KRT14* and *PLEC1* genes. Junctional EB is caused by mutations in *LAMB3* and *COL7A1*. Kindler EB is the rarest type resulting from mutations in *KIND1*. Dystrophic EB (DEB) is monogenic and results from mutations in *COL7A1*. DEB can be further subdivided in autosomal recessive (RDEB) and autosomal dominant (DDEB). Approximately 80% of DEB patients are classified as autosomal recessive.

Recessive Epidermolysis Bullosa (RDEB) is further subdivided into a several subtypes including severe (absence of type VII collagen) and intermediate (reduced type VII collagen). Symptoms of the disease include mucocutaneous blistering and wounding, atrophic scarring, alopecia and dystrophic or absent nails. Many patients develop squamous cell carcinoma (SCC) as a result of chronic wounding and fibrosis. SCC is the cause of death by age 45 in 70% of patients with severe RDEB. In additional to dermal symptoms, patients may also suffer ocular abnormalities, anemia and gastrointestinal issues such as esophageal strictures and malnutrition.

Incidence of RDEB have been reported at three cases per one million. However, more recent whole-genome sequencing modeling estimates up to 95 cases per one million live births, suggesting a significant underestimation. This is potentially due to misdiagnosis of less severe cases as variants of Dominant Dystrophic EB (DDEB) or EB simplex. EB, as a class, has been designated an orphan disease by FDA.

There are no curative treatments for RDEB. The standard-of-care treatment regimen includes wound care, pain and itch management, prevention of skin trauma and treatment of infection and early detection and treatment of SCC. Additional impact to quality of life for both the patient and family include physiotherapy, psychological support, individual educational accommodations and economic burden.

The *COL7A1* gene encodes for type VII collagen (C7). This protein serves to maintain the functional integrity of the epidermis and dermo-epidermal basement membrane zone of the skin by enabling the construction and anchoring of fibrils. Depending on the specific *COL7A1* mutation, fibrils are either abnormal, reduced or absent in the patient's skin, correlating with the severity of the disease. Mutations that result in severe RDEB are generally bi-allelic mutations that result in a premature termination codon.

The skin is easily accessible for topical, subcutaneous or intradermal delivery and promising non-viral vector skin delivery systems are in development. Preclinical mouse models grafted with human RDEB skin have shown that full length *COL7A1* complimentary DNA can be delivered to keratinocytes and fibroblasts using nanoparticle delivery consisting of a highly branched b-amino ester polymer. The advantage of using nanoparticle topical delivery over a viral vector approach include reduced immunogenicity and toxicity, as well as reduced manufacturing costs.

Autologous cell therapy to generate epidermal sheets with full length *COL7A1* complimentary DNA has shown promise for improved wound healing of more than 50%, however the effects were not long lasting as transgene expression was reduced over time. The drawbacks of an *ex vivo* approach include the significant burden on the patient who may be subject to multiple biopsies and wound treatment to ensure successful engraftment.

We believe that RDEB is a candidate for *in vivo* gene correction, as a single donor DNA template inserted via HDR offers a platform for the restoration of *COL7A1* functionality and expression of C7 resulting from a wide number of mutations.

Netherton syndrome

Netherton syndrome (NS) is a rare genetic skin fragility disease that is characterized by superficial desquamation (peeling, scaly skin), hair shaft defects and severe atopic manifestations. Infants with NS display red, scaly skin and slow-growing and abnormal hair, eyebrows and eyelashes. Neonatal mortality is high due to dehydration, hypothermia, skin and systemic infections as well as gastrointestinal issues such as vomiting, diarrhea and abdominal pain. Patients often experience impaired growth and failure to thrive due to chronic inflammation, malabsorption, food allergies and high risk of recurrent infections by *Staphylococcus aureus*, the most dangerous of the many common "staph" bacteria.

Incidence of NS have been estimated at 1 in 200,000 live births. However, the incidence is thought to be as high as 1 in 50,000 as early neonatal mortality and common symptoms with other conditions such as atopic

dermatitis immune deficiency syndromes make diagnosis difficult. NS has been designated an orphan disease by FDA.

NS is autosomal recessive and results from bi-allelic loss-of-function mutations in the *SPINK5* gene, which encodes for lymphoepithelial Kazal-type-related protease inhibitor (LEKTI). The *SPINK5* gene is comprised of 34 exons and an open reading frame of approximately 3 kb. The most severe disease-causing mutations in *SPINK5* are located in the 5'-region of *SPINK5*. Mutations have not been detected downstream of exon 27, which may imply mutations nearer the 3'-end do not lead to loss-of-function in LEKTI. LEKTI serves as an inhibitor of kallikrein-related peptidases (KLKs). LEKTI and KLKs are co-localized in the epidermis and work together to ensure renewal of the epidermis through a gradual, controlled desquamation process. *SPINK5* mutations lead to truncated versions of LEKTI and may also lead to overexpression of the kallikrein peptidases KLK5, KLK7 and KLK14. LEKTI deficiency can lead to dysfunctional protease activity, resulting in the skin barrier defects observed in NS. Moreover, increased KLK activity can trigger the release of pro-inflammatory cytokines leading to immune cell recruitment to the skin.

Skin-humanized mouse models of NS have been developed by grafting patient-derived keratinocytes onto immunodeficient mice. This system was used as the preclinical model for the first gene therapy clinical trial for NS. Recently, a CRISPR-based NHEJ approach to remove exon 1 of *SPINK5* from human keratinocytes was used to generate a mouse knockout model.

There are currently no curative treatments for NS. The standard of care treatment regimen includes a combination of wound care and restoration of skin barrier defects as well as treatment of allergies, inflammation and infections. Small molecule inhibitors of KLKs, topical corticosteroids, topical retinoids, and phototherapy are used with varying success. Monoclonal antibodies and intravenous immunoglobulin are options for severe cases.

We are aware of certain gene therapy approaches in development for NS, including the use of patient-derived keratinocytes that are treated *ex vivo* to correct and restore the normal *SPINK5* allele. The corrected keratinocytes are cultured into epidermal sheets and grafted back onto the patient. While this approach appears to be well-tolerated, the efficacy appears to be short-lived, consistent with 1-2 cycles of keratinocyte proliferation and differentiation. *In vivo* topical delivery is desirable because it is non-invasive and can be applied over large portions of affected skin. We believe that the attributes of our GeneTether platform will allow the development of highly efficient and effective *in vivo* treatments for NS.

Manufacturing

We intend to contract with third parties to support production of the components of our product candidates. We plan to rely on these qualified third-party organizations and our own capabilities, to the extent they are developed, to produce or process bulk compounds, formulated compounds, viral vectors or engineered cells for IND-supporting activities and early stage clinical trials. We expect that clinical and commercial quantities of any *in vivo* product or engineered cells that we may seek to develop will be manufactured in facilities and by processes that comply with FDA and other regulations. At the appropriate time in the product development process, we will determine whether to establish manufacturing facilities or continue to rely on third parties to manufacture commercial quantities of any products that we may successfully develop. In certain instances, we may consider building our own commercial infrastructure.

Our third-party manufacturing partners will likely be independent entities that are subject to their own operational and financial risks over which we have no control. If we or any of these third-party manufacturers fail to perform as required, this could cause delays in our clinical trials and regulatory applications and submission.

The manufacturing process for pharmaceutical products is highly regulated and regulators may shut down manufacturing facilities that they believe do not comply with regulations. We and our third-party manufacturers are subject to cGMP, which are extensive regulations governing manufacturing processes, stability testing, record keeping and quality standards as defined by the FDA and the EMA. Similar regulations and requirements are in effect in other countries.

Commercialization

We are a preclinical stage company without a history of revenue or manufacturing, clinical development or marketing experience. Because clinical development, as well as establishing a full manufacturing and commercialization structure, is expensive and time consuming, we intend to explore alternative commercialization strategies, including:

- developing product candidates through the earlier stages of clinical development with the objectives of rapid, cost effective risk reduction and value creation followed by establishment of strategic partnerships for clinical development and subsequent commercialization;

- developing a robust pipeline of promising product candidates at various stages of the development process to establish optionality and regular value inflection opportunities and revenue(s), particularly during development activities up to and including Phase 2 clinical studies;

- strategically entering into co-development partnership(s) to retain potential for commercialization rights on selected product candidate(s) and market opportunities; and

- partnering with industry participants to incorporate our GeneTether platform into new and existing gene editing programs.

Competition

The pharmaceutical and biotechnology industries are characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products. While we believe that our technology, the expertise of our executive and scientific team, research, clinical capabilities, development experience and scientific knowledge provide us with competitive advantages, we face increasing competition from many different sources, including pharmaceutical and biotechnology companies, academic institutions, governmental agencies and public and private research institutions. Product candidates that we successfully develop and commercialize, if any, may compete with existing therapies and new therapies that may become available in the future.

Many of our competitors, either alone or with their collaborators, have significantly greater financial resources, established presence in the market, expertise in research and development, manufacturing, preclinical and clinical testing, obtaining regulatory approvals and reimbursement and marketing approved

products than we do. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. Additional mergers and acquisitions may result in even more resources being concentrated in our competitors.

Our commercial potential could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than drugs that we may develop. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market or make our development more complicated. The key competitive factors affecting the success of all of our programs are likely to be efficacy, safety and convenience.

The development and commercialization of new pharmaceutical products is highly competitive. Our future commercial success depends on our ability to achieve and maintain a competitive advantage. There are a significant number of companies developing therapies based on gene correction and gene complementation, including Beam Therapeutic, bluebird bio, Caribou Biosciences, CRISPR Therapeutics, Editas Medicine, Graphite Bio, Intellia Therapeutics, Precision Biosciences, and Verve Therapeutics. Additionally, we are aware of several advanced drug development programs in the rare forms of genetic kidney and skin disorders for which we are developing gene correction and complementation therapeutics based on our GeneTether platform. Academic institutions with technologies in the development that attempt to link CRISPR and donor DNA templates to enhance HDR include the University of Minnesota, the University of Wisconsin, and the University of California.

CKD caused by autosomal dominant tubulo-interstitial kidney disease-UMOD

Currently there are no approved therapies for the treatment of ADTKD-*UMOD*. In addition to lifestyle changes to delay ESKD, allopurinol and febuxostat are generally considered the best options to treat gout and hyperuricemia resulting from ADTKD-*UMOD*. We are unaware of any therapies currently in development for the specific treatment of ADTKD-*UMOD*.

CKD caused by autosomal dominant polycystic kidney disease

Currently, there is one drug approved and multiple therapies in clinical development for the treatment of ADPKD. In 2018, Otsuka Pharmaceuticals Co., Ltd. received approval by the FDA to market tolvaptan (JYNARQUE) to slow kidney function decline in adults at risk of rapidly progressing ADPKD. Patients taking tolvaptan require regular monitoring of liver function, as approximately 5% of patients may develop reversible liver function abnormalities.

We are aware of the following therapies that are reported to be in clinical development: bardoxolone methyl, which is in Phase 3 development by Reata Pharmaceuticals; tesevatinib, which is in Phase 2 development by Kadmon Holdings, Inc.; lixivaptan, which is in Phase 2 development by Palladio Biosciences; GLPG2737, a cystic fibrosis transmembrane conductance regulator (CFTR) inhibitor, which is currently in Phase 2 clinical development by Galapagos NV; and AL01211, a glucosylceramide synthase inhibitor, which is in Phase 1 clinical development by AceLink Therapeutics. A pivotal Phase 2/3 study for venglustat, which

was being developed by Sanofi Genzyme, was recently terminated for futility following an independent analysis of the annualized rate of change in total kidney volume in patients receiving venglustat versus placebo.

CKD caused by Alport syndrome

Currently, there are no approved therapies for CKD caused by Alport syndrome. Patients are commonly treated off-label with angiotensin converting enzyme inhibitors or angiotensin 2 receptor blockers. In February 2021, Reata Pharmaceuticals announced acceptance by FDA of its new drug application (NDA) for bardoxolone methyl for the treatment of patients with CKD caused by Alport syndrome. On February 25, 2022, Reata Pharmaceuticals received a complete response letter from the FDA.

We are aware of three other programs that are reported to be in clinical development for the treatment of patients with CKD caused by Alport syndrome: lademirsen is in Phase 2 development by Sanofi S.A.; atrasentan is in Phase 2 development by Chinook Therapeutics; and Sparsenten is in Phase 2 development by Travere Therapeutics.

Epidermolysis bullosa

There are no therapies approved specifically for the treatment of EB. We are aware of several topical investigational drug formulations are currently at various stages of clinical development for the treatment of EB, including:

- FILSUVEZ (birch triterpenes), a topical product incorporating a betulin-based active ingredient, which is in development by Amryt Pharma. In June 2021, Amryt announced acceptance by FDA of its NDA for Oleogel-S10l for the treatment of EB. The FDA's action date for the application is November 30, 2021. Amryt has also announced its intention to initiate a Phase 1 clinical trial of AP103, a topical gene therapy, in 2022.

- D-Fi, a gene therapy designed to deliver functional type VII collagen protein (COL7) intradermally at the site of wounds, which is in Phase 3 development by Castle Creek Biosciences.

- KB103 (topical beremagene geperpavec), a gene therapy delivered via a replication-defective, non-integrating herpes simplex virus, which is in Phase 3 development by Krystal Biotech.

- RGN-137 (topical Thymosin beta-4), which is in Phase 2 development by Lenus Therapeutics.

- INM-755 (topical cannabinol), which is in Phase 2 development by InMed Pharmaceuticals.

Additionally, a Phase 1/2 trial of QR-313, a 21-nucleotide antisense oligonucleotide, being developed by PHoenicis (formerly Wings Therapeutics) was terminated in August 2021 due to low enrollment. A clinical trial investigating Castle Creek Biosciences' Diacerein 1% was terminated after an independent data monitoring committee suggested that the study will not meet statistical objectives.

Other approaches that are under investigation for the treatment of EB include:

- Skin grafts with gene-modified epidermal sheets;
- Stem cell transplants;
- Intravenous replacement of recombinant collagen VII (for RDEB);
- Topical/intradermal gentamicin to restore laminin beta3 (JEB/DEB with nonsense mutations); and
- Granulocyte colony-stimulating factor (DEB).

Netherton syndrome

There are no therapies approved specifically for the treatment of NS. Current approaches are limited to symptom relief or supportive care. This includes the use of antiseptics two-to-three times a week to reduce the risk of recurrent skin infections, emollients applied several times a day as a skin barrier; and keratolytics, which remove scaling and hyperkeratosis; and topical corticosteroids. Patients with NS have impaired skin barrier function with augmented absorption of topical drugs. Topical steroids should therefore be monitored in patients with NS, and a low-dose steroid should only be used for a limited time in limited body areas.

We are aware of two programs that are reported to be in clinical development for the treatment of patients with NS: LM-030, a KLK7 and ELA2 inhibitor, is in Phase 2/3 development by LifeMax Laboratories; and KB104 is in preclinical development Krystal Biotech.

Development Timeline

We anticipate accomplishing certain activities as we pursue our business objectives, as detailed below. The dates set forth generally represent anticipated completion of activities and are subject to factors that may be beyond our control, including the availability of third-party collaborators and contractors. The activities included are summaries only and are subject to change at management's discretion. Many of the activities listed will be ongoing for the duration of our development programs.

		Estimated Initial Completion	
Objective	Activities	H1 2022	H2 2022
Continued validation of GeneTether platform technology and expansion of IP portfolio	Identify and engage qualified contract research organizations	[redacted]	
	Non-cGMP manufacturing of key components of our GeneTether-based gene editing system	[redacted]	
	Editing in: - large animal cell lines - zebrafish - human cell lines		[redacted]

Identification of lead development programs	Identify and engage key opinion leaders in the areas of our potential disease targets	
	Initiate and/or complete *in vitro* cell line editing in potential rare, genetic disease targets as described under: - "Our GeneTether Platform for Rare, Monogenic Kidney Diseases" - "Our GeneTether Platform for Rare, Monogenic Skin Diseases"	
	Complete assessment of various delivery platforms in kidney model	

Intellectual Property

Patent Applications

We strive to protect the proprietary technology that we believe is important to our business, including seeking and maintaining patents intended to cover both our broad development programs and individual product candidates. We seek to obtain domestic and international patent protection, and endeavor to promptly file patent applications for new commercially valuable inventions. We also rely on trade secrets to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection.

We plan to continue to expand our intellectual property estate by filing patent applications directed to pharmaceutical compositions, methods of treatment, methods of manufacture, methods for patient selection created or identified from our ongoing development of our product candidates, as well as discovery based on our proprietary GeneTether platform. Our success will depend on our ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business, defend and enforce any patents that we may obtain, preserve the confidentiality of our trade secrets and operate without infringing the valid and enforceable patents and proprietary rights of third parties. We also rely on know-how and continuing technological innovation to develop and maintain our proprietary position and, in the future, may rely on or leverage in-licensing opportunities.

The patent positions of biopharmaceutical companies like us are generally uncertain and involve complex legal, scientific and factual questions. In addition, the coverage claimed in a patent may be challenged in courts after issuance. Moreover, many jurisdictions permit third parties to challenge issued patents in administrative proceedings, which may result in further narrowing or even cancellation of patent claims. We cannot predict whether the patent applications we are currently pursuing will issue as patents in any particular jurisdiction or at all, whether the claims of any patent applications, should they issue, will cover our product candidates, or whether the claims of any issued patents will provide sufficient protection from competitors or otherwise provide any competitive advantage.

Because patent applications in the United States and certain other jurisdictions are maintained in secrecy for 18 months or potentially even longer, and because publication of discoveries in the scientific or patent literature often lags behind actual discoveries and patent application filings, we cannot be certain of the priority of inventions covered by pending patent applications. Accordingly, we may not have been the first to invent the subject matter disclosed in some of our patent applications or the first to file patent applications covering such subject matter, and we may have to participate in interference proceedings or derivation proceedings declared by the USPTO, to determine priority of invention.

Patent Portfolio

Our patent strategy includes pursuing protection for various aspects of our GeneTether platform, including its use in various monogenic diseases. Our patent portfolio includes patent applications in varying stages of prosecution in the United States and selected ex-U.S. jurisdictions. As of September 30, 2021, our patent portfolio consisted of one issued patent, which was granted in Australia, and 8 pending applications in various countries including the United States, each of which is owned by us. These patent applications cover compositions of matter for GeneTether lacR fusion proteins for gene editing in cells, including human cells.

In October 2021, the USPTO issued an office action indicating that certain claims encompassing the current embodiment of the GeneTether platform technology are allowable. We have filed a response to the office action to place our patent application in condition for allowance. In that response, we cancelled certain broader claims that the USPTO rejected, which we plan to pursue in a continuation application. On February 9, 2022, the USPTO issued a Notice of Allowance with respect to a patent entitled "Modified Nucleic Acid Editing Systems for Tethering Donor DNA" related to our GeneTether platform. We intend to explore additional opportunities to expand our patent portfolio through the ongoing development of novel compositions of matter for new GeneTether fusion proteins with other DNA binding proteins, processes for gene editing, and methods for the treatment of certain disease conditions. We will seek to continue to innovate and strategically protect our innovations in the following three main areas:

- Composition of matter claims combining components of our GeneTether platform with other components of various gene editing systems;
- Uses in monogenic kidney disorders, monogenic skin disorders, and other non-kidney and non-skin disease targets; and
- Cell delivery into tissues and cells of interest.

We have identified a number of additional indications for our GeneTether platform that are under evaluation based on unmet medical need and potential efficacy. As we begin exploratory work on prioritized opportunities, we expect that we will generate additional intellectual property for which we will file patent applications when appropriate. There may be instances where we determine that certain intellectual property has greater protection as a trade secret and we may choose to not file a patent application in such a circumstance.

Patent Term

The base term of a U.S. patent is 20 years from the filing date of the application for patent, or if the application contains specific reference to, and claims the benefit of, an earlier filed application or

applications, from the date on which the earliest such application was filed. The term of a U.S. patent can be lengthened by patent term adjustment, which compensates the owner of the patent for administrative delays at the USPTO. In some cases, the term of a U.S. patent is shortened by terminal disclaimer that reduces its term to that of an earlier-expiring patent.

In the United States, a patent claiming a new biologic product, its method of use or its method of manufacture may be eligible for a limited patent term extension under the Hatch-Waxman Act, which permits a patent extension of up to five years for patent term lost during product development and FDA regulatory review. Assuming grant of the patent for which the extension is sought, the restoration period for a patent covering a product is typically one-half the time between the effective date of the IND involving human beings and the submission date of the BLA, plus the time between the submission date of the BLA and the ultimate approval date. Patent term restoration cannot be used to extend the remaining term of a patent past a total of 14 years from the product's approval date in the United States. Only one patent applicable to an approved product is eligible for the extension, and the application for the extension must be submitted prior to the expiration of the patent for which extension is sought. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. The USPTO reviews and approves the application for any patent term extension in consultation with the FDA.

The European Union also provides for patent term extension through Supplementary Protection Certificates (SPCs). The rules and requirements for obtaining a SPC are similar to those in the United States. An SPC may extend the term of a patent for up to five years after its originally scheduled expiration date and can provide up to a maximum of fifteen years of marketing exclusivity for a drug. In certain circumstances, these periods may be extended for six additional months if pediatric exclusivity is obtained, which is described in detail below. Although SPCs are available throughout the European Union, sponsors must apply on a country-by-country basis. Similar patent term extension rights exist in certain other foreign jurisdictions outside the European Union.

Trade Secrets

In addition to patents, we rely on trade secrets and know-how to develop and maintain our competitive position. We typically rely on trade secrets to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. We protect trade secrets and know-how by establishing confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors and collaborators. These agreements provide that all confidential information developed or made known during the course of an individual or entities' relationship with us must be kept confidential during and after the relationship. These agreements also provide that all inventions resulting from work performed for us or relating to our business and conceived or completed during the period of employment or assignment, as applicable, shall be our exclusive property. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary information by third parties.

Government Regulations

Government authorities in the United States, at the federal, state and local level and in other countries and jurisdictions, including the European Union, extensively regulate, among other things, the research, development, testing, manufacture, pricing, reimbursement, sales, quality control, approval, packaging,

storage, recordkeeping, labeling, advertising, promotion, distribution, marketing, post-approval monitoring and reporting and import and export of pharmaceutical products, including biological products. The processes for obtaining marketing approvals in the United States and in foreign countries and jurisdictions, along with subsequent compliance with applicable statutes and regulations and other regulatory authorities, require the expenditure of substantial time and financial resources.

Licensure and Regulation of Biologics in the United States

In the United States, any product candidates we may develop would be regulated as biological products, or biologics, under the Public Health Service Act (PHSA), and the Federal Food, Drug, and Cosmetic Act (FDCA), and its implementing regulations and guidance. The failure to comply with the applicable U.S. requirements at any time during the product development process, including preclinical testing, clinical testing, the approval process, or post-approval process, may subject an applicant to delays in the conduct of the study, regulatory review and approval and/or administrative or judicial sanctions. These sanctions may include, but are not limited to, the FDA's refusal to allow an applicant to proceed with clinical testing, refusal to approve pending applications, license suspension, or revocation, withdrawal of an approval, warning letters, adverse publicity, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines and civil or criminal investigations and penalties brought by the FDA or the Department of Justice (DOJ), and other governmental entities, including state agencies.

An applicant seeking approval to market and distribute a new biologic in the United States generally must satisfactorily complete each of the following steps:

- preclinical laboratory tests, animal studies and formulation studies all performed in accordance with the FDA's Good Laboratory Practices (GLP) regulations;

- completion of the manufacture, under cGMP conditions, of the drug substance and drug product that the sponsor intends to use in human clinical trials along with required analytical and stability testing;

- submission to the FDA of an IND application for human clinical testing, which must become effective before human clinical trials may begin;

- approval by an independent institutional review board (IRB), representing each clinical site before each clinical trial may be initiated;

- performance of adequate and well-controlled human clinical trials to establish the safety, potency and purity of the product candidate for each proposed indication, in accordance with current Good Clinical Practices (GCP);

- preparation and submission to the FDA of a Biologics License Application (BLA) for a biologic product requesting marketing for one or more proposed indications, including submission of detailed information on the manufacture and composition of the product in clinical development and proposed labeling;

- review of the product by an FDA advisory committee, where appropriate or if applicable;

- satisfactory completion of one or more FDA inspections of the manufacturing facility or facilities, including those of third parties, at which the product, or components thereof, are produced to assess compliance with cGMP, requirements and to assure that the facilities, methods and controls are adequate to preserve the product's identity, strength, quality and purity;

- satisfactory completion of any FDA audits of the preclinical studies and clinical trial sites to assure compliance with GLP, as applicable, and GCP, and the integrity of clinical data in support of the BLA;

- payment of user Prescription Drug User Fee Act (PDUFA), securing FDA approval of the BLA and licensure of the new biologic product; and

- compliance with any post-approval requirements, including the potential requirement to implement a Risk Evaluation and Mitigation Strategy (REMS), and any post-approval studies or other post-marketing commitments required by the FDA.

Preclinical studies and investigational new *drug application*

Before testing any biologic product candidate in humans, including a gene therapy product candidate, the product candidate must undergo preclinical testing. Preclinical tests include laboratory evaluations of product chemistry, formulation and stability, as well as studies to evaluate the potential for efficacy and toxicity in animal studies. The conduct of the preclinical tests and formulation of the compounds for testing must comply with federal regulations and requirements. The results of the preclinical tests, together with manufacturing information and analytical data, are submitted to the FDA as part of an IND application.
An IND is an exemption from the FDCA that allows an unapproved product candidate to be shipped in interstate commerce for use in an investigational clinical trial and a request for FDA authorization to administer such investigational product to humans. The IND automatically becomes effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions about the product or conduct of the proposed clinical trial, including concerns that human research subjects will be exposed to unreasonable health risks. In that case, the IND sponsor and the FDA must resolve any outstanding FDA concerns before the clinical trials can begin or recommence.

As a result, submission of the IND may result in the FDA not allowing the trials to commence or allowing the trial to commence on the terms originally specified by the sponsor in the IND. If the FDA raises concerns or questions either during this initial 30-day period, or at any time during the IND review process, it may choose to impose a partial or complete clinical hold. Clinical holds are imposed by the FDA whenever there is concern for patient safety, may be a result of new data, findings, or developments in clinical, preclinical and/or chemistry, manufacturing and controls or where there is non-compliance with regulatory requirements. This order issued by the FDA would delay either a proposed clinical trial or cause suspension of an ongoing trial, until all outstanding concerns have been adequately addressed and the FDA has notified the company that investigations may proceed. This could cause significant delays or difficulties in completing our planned clinical trial or future clinical trials in a timely manner.

Additionally, gene therapy clinical trials conducted at institutions that receive funding for recombinant DNA research from the NIH also are potentially subject to review by a committee within the NIH's Office of Science Policy called the Novel and Exceptional Technology and Research Advisory (NExTRAC). As of 2019,

the charter of this review group has evolved to focus public review on clinical trials that cannot be evaluated by standard oversight bodies and pose unusual risks. With certain gene therapy protocols, FDA review of or clearance to allow the IND to proceed could be delayed if the NExTRAC decides that full public review of the protocol is warranted. The FDA also may impose clinical holds on a biologic product candidate at any time before or during clinical trials due to safety concerns or non-compliance. If the FDA imposes a clinical hold, trials may not recommence without FDA authorization and then only under terms authorized by the FDA.

Expanded access to an investigational drug *for treatment use*

Expanded access, sometimes called "compassionate use," is the use of investigational products outside of clinical trials to treat patients with serious or immediately life-threatening diseases or conditions when there are no comparable or satisfactory alternative treatment options. The rules and regulations related to expanded access are intended to improve access to investigational products for patients who may benefit from investigational therapies. FDA regulations allow access to investigational products under an IND by the company or the treating physician for treatment purposes on a case-by-case basis for: individual patients (single-patient IND applications for treatment in emergency settings and non-emergency settings); intermediate-size patient populations; and larger populations for use of the investigational product under a treatment protocol or treatment IND application.

When considering an IND application for expanded access to an investigational product with the purpose of treating a patient or a group of patients, the sponsor and treating physicians or investigators will determine suitability when all of the following criteria apply: patient(s) have a serious or immediately life-threatening disease or condition, and there is no comparable or satisfactory alternative therapy to diagnose, monitor, or treat the disease or condition; the potential patient benefit justifies the potential risks of the treatment and the potential risks are not unreasonable in the context or condition to be treated; and the expanded use of the investigational drug for the requested treatment will not interfere with initiation, conduct, or completion of clinical investigations that could support marketing approval of the product or otherwise compromise the potential development of the product.

There is no obligation for a sponsor to make its drug products available for expanded access; however, as required by the 21st Century Cures Act (Cures Act), passed in 2016, if a sponsor has a policy regarding how it responds to expanded access requests, it must make that policy publicly available. Although these requirements were rolled out over time, they have now come into full effect. This provision requires drug and biologic companies to make publicly available their policies for expanded access for individual patient access to products intended for serious diseases. Sponsors are required to make such policies publicly available upon the earlier of initiation of a Phase 2 or Phase 3 trial; or 15 days after the investigational drug or biologic receives designation as a breakthrough therapy, fast track product, or regenerative medicine advanced therapy.

In addition, on May 30, 2018, the *Right to Try Act* was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational products that have completed a Phase 1 clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances, eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a manufacturer to make its investigational products available to eligible patients as a result of the *Right to Try Act*.

Human clinical trials in support *of a BLA*

Clinical trials involve the administration of the investigational product candidate to healthy volunteers or patients with the disease or condition to be treated under the supervision of a qualified principal investigator in accordance with GCP requirements. Clinical trials are conducted under protocols detailing, among other things, the objectives of the trial, inclusion and exclusion criteria, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. A protocol for each clinical trial and any subsequent protocol amendments must be submitted to the FDA as part of the IND.

A sponsor who wishes to conduct a clinical trial outside the United States may, but need not, obtain FDA authorization to conduct the clinical trial under an IND. When a foreign clinical trial is conducted under an IND, all FDA IND requirements must be met unless waived. When a foreign clinical trial is not conducted under an IND, the sponsor must ensure that the trial complies with certain regulatory requirements of the FDA in order to use the trial as support for an IND or application for marketing approval. Specifically, the FDA requires that such trials be conducted in accordance with GCP, including review and approval by an independent ethics committee and informed consent from participants. The GCP requirements encompass both ethical and data integrity standards for clinical trials. The FDA's regulations are intended to help ensure the protection of human subjects enrolled in non-IND foreign clinical trials, as well as the quality and integrity of the resulting data. They further help ensure that non-IND foreign trials are conducted in a manner comparable to that required for clinical trials in the United States.

Further, each clinical trial must be reviewed and approved by an IRB either centrally or individually at each institution at which the clinical trial will be conducted. The IRB will consider, among other things, clinical trial design, patient informed consent, ethical factors, the safety of human subjects, and the possible liability of the institution. An IRB must operate in compliance with FDA regulations. The FDA, IRB, or the clinical trial sponsor may suspend or discontinue a clinical trial at any time for various reasons, including a finding that the clinical trial is not being conducted in accordance with FDA requirements or that the participants are being exposed to an unacceptable health risk. Clinical testing also must satisfy extensive GCP rules and the requirements for informed consent.

Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board (DSMB). This group may recommend continuation of the trial as planned, changes in trial conduct, or cessation of the trial at designated check points based on certain available data from the trial to which only the DSMB has access. Finally, research activities involving infectious agents, hazardous chemicals, recombinant DNA and genetically altered organisms and agents may be subject to review and approval of an Institutional Biosafety Committee (IBC), in accordance with NIH Guidelines for Research Involving Recombinant or Synthetic Nucleic Acid Molecules.

Clinical trials typically are conducted in three sequential phases, but the phases may overlap or be combined. Additional studies may be required after approval.

- Phase 1 clinical trials are initially conducted in a limited population to test the product candidate for safety, including adverse effects, dose tolerance, absorption, metabolism, distribution, excretion and pharmacodynamics in healthy humans or, on occasion, in patients, such as cancer patients.

- Phase 2 clinical trials are generally conducted in a limited patient population to identify possible adverse effects and safety risks, evaluate the efficacy of the product candidate for specific targeted indications and determine dose tolerance and optimal dosage. Multiple Phase 2 clinical trials may be conducted by the sponsor to obtain information prior to beginning larger and more costly Phase 3 clinical trials.

- Phase 3 clinical trials proceed if the Phase 2 clinical trials demonstrate that a dose range of the product candidate is potentially effective and has an acceptable safety profile. Phase 3 clinical trials are undertaken within an expanded patient population to further evaluate dosage, provide substantial evidence of clinical efficacy and further test for safety in an expanded and diverse patient population at multiple, geographically dispersed clinical trial sites. A well-controlled, statistically robust Phase 3 trial may be designed to deliver the data that regulatory authorities will use to decide whether or not to approve, and, if approved, how to appropriately label a biologic; such Phase 3 studies are referred to as "pivotal."

In some cases, the FDA may approve a BLA for a product but require the sponsor to conduct additional clinical trials to further assess the product's safety and effectiveness after approval. Such post-approval trials are typically referred to as Phase 4 clinical trials. These studies are used to gain additional experience from the treatment of patients in the intended therapeutic indication and to document a clinical benefit in the case of biologics approved under accelerated approval regulations. If the FDA approves a product while a company has ongoing clinical trials that were not necessary for approval, a company may be able to use the data from these clinical trials to meet all or part of any Phase 4 clinical trial requirement or to request a change in the product labeling. The failure to exercise due diligence with regard to conducting Phase 4 clinical trials could result in withdrawal of approval for products.

Under the Pediatric Research Equity Act of 2003, a BLA or supplement thereto must contain data that are adequate to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. Sponsors must also submit pediatric study plans prior to the assessment data. Those plans must contain an outline of the proposed pediatric study or studies the applicant plans to conduct, including study objectives and design, any deferral or waiver requests, and other information required by regulation. The applicant, the FDA, and the FDA's internal review committee must then review the information submitted, consult with each other, and agree upon a final plan. The FDA or the applicant may request an amendment to the plan at any time.

For products intended to treat a serious or life-threatening disease or condition, the FDA must, upon the request of an applicant, meet to discuss preparation of the initial pediatric study plan or to discuss deferral or waiver of pediatric assessments. In addition, FDA will meet early in the development process to discuss pediatric study plans with sponsors and FDA must meet with sponsors by no later than the end-of-phase 1 meeting for serious or life-threatening diseases and by no later than 90 days after FDA's receipt of the study plan.

The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements. Additional requirements and procedures relating to deferral requests and requests for extension of deferrals are contained in the Food and Drug Administration Safety and Innovation

Act. Unless otherwise required by regulation, the pediatric data requirements do not apply to products with orphan designation.

Information about applicable clinical trials must be submitted within specific timeframes to the NIH for public dissemination on its ClinicalTrials.gov website.

Special regulations and guidance governing gene therapy products

We expect that the procedures and standards applied to gene therapy products will be applied to any product candidates we may develop. The FDA has defined a gene therapy product as one that seeks to modify or manipulate the expression of a gene or to alter the biological properties of living cells for therapeutic use. The products may be used to modify cells in vivo or transferred to cells ex vivo prior to administration to the recipient.

Within the FDA, the Center for Biologics Evaluation and Research (CBER), regulates gene therapy products. Within CBER, the review of gene therapy and related products is consolidated in the Office of Tissues and Advanced Therapies (OTAT) and the FDA has established the Cellular, Tissue and Gene Therapies Advisory Committee to advise CBER on its reviews. The NIH, including the NExTRAC also advises the FDA on gene therapy issues and other issues related to emerging biotechnologies. The FDA and the NIH have published guidance documents with respect to the development and submission of gene therapy protocols.

The FDA has issued various guidance documents regarding gene therapies, including recent final guidance documents released in January 2020 relating to chemistry, manufacturing and controls information for gene therapy INDs, long-term follow-up after the administration of gene therapy products, gene therapies for rare diseases and gene therapies for retinal disorders. Although the FDA has indicated that these and other guidance documents it previously issued are not legally binding, compliance with them is likely necessary to gain approval for any gene therapy product candidate. The guidance documents provide additional factors that the FDA will consider at each of the above stages of development and relate to, among other things: the proper preclinical assessment of gene therapies; the chemistry, manufacturing and control information that should be included in an IND application; the proper design of tests to measure product potency in support of an IND or BLA application; and measures to observe for potential delayed adverse effects in participants who have received investigational gene therapies with the duration of follow-up based on the potential for risk of such effects. For AAV vectors specifically, the FDA typically recommends that sponsors continue to monitor participants for potential gene therapy-related adverse events for up to a 5-year period.

Until 2019, most gene therapy clinical trials in the United States required pre-review by the predecessor of NExTRAC before being approved by the IRBs and any local biosafety boards or being allowed to proceed by FDA. In 2019, the NIH substantially eliminated the pre-review process and going forward, the review of gene therapy clinical trial protocols would be largely handled by local IRBs and IBCs, in addition to FDA. Furthermore, in 2019, the NIH removed from public access the Genetic Modification Clinical Research Information System database, which previously contained substantial amounts of safety and other participant information regarding human gene therapy trials performed up to that time.

Compliance with cGMP requirements

Before approving a BLA, the FDA typically will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing

processes and facilities are in full compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. The PHSA emphasizes the importance of manufacturing control for products like biologics whose attributes cannot be precisely defined.

Manufacturers and others involved in the manufacture and distribution of products must also register their establishments with the FDA and certain state agencies. Both domestic and foreign manufacturing establishments must register and provide additional information to the FDA upon their initial participation in the manufacturing process. Any product manufactured by or imported from a facility that has not registered, whether foreign or domestic, is deemed misbranded under the FDCA. Establishments may be subject to periodic unannounced inspections by government authorities to ensure compliance with cGMPs and other laws. Inspections must follow a "risk-based schedule" that may result in certain establishments being inspected more frequently. Manufacturers may also have to provide, on request, electronic or physical records regarding their establishments. Delaying, denying, limiting, or refusing inspection by the FDA may lead to a product being deemed adulterated.

Review and approval of a BLA

The results of product candidate development, preclinical testing and clinical trials, including negative or ambiguous results as well as positive findings, are submitted to the FDA as part of a BLA requesting license to market the product. The BLA must contain extensive manufacturing information and detailed information on the composition of the product and proposed labeling as well as payment of a user fee. Under federal law, the submission of most BLAs is subject to an application user fee, which for federal fiscal year 2021 is $2,875,842 for an application requiring clinical data. The sponsor of a licensed BLA is also subject to an annual program fee, which for fiscal year 2021 is $336,432. Certain exceptions and waivers are available for some of these fees, such as an exception from the application fee for products with orphan designation and a waiver for certain small businesses.

The FDA has 60 days after submission of the application to conduct an initial review to determine whether it is sufficient to accept for filing based on the agency's threshold determination that it is sufficiently complete to permit substantive review. Once the submission has been accepted for filing, the FDA begins an in-depth review of the application. Under the goals and policies agreed to by the FDA under the PDUFA, the FDA has ten months in which to complete its initial review of a standard application and respond to the applicant, and six months for a priority review of the application. The FDA does not always meet its PDUFA goal dates for standard and priority BLAs. The review process may often be significantly extended by FDA requests for additional information or clarification. The review process and the PDUFA goal date may be extended by three months if the FDA requests or if the applicant otherwise provides additional information or clarification regarding information already provided in the submission within the last three months before the PDUFA goal date.

Under the PHSA, the FDA may approve a BLA if it determines that the product is safe, pure and potent, and the facility where the product will be manufactured meets standards designed to ensure that it continues to be safe, pure and potent. On the basis of the FDA's evaluation of the application and accompanying information, including the results of the inspection of the manufacturing facilities and any FDA audits of preclinical and clinical trial sites to assure compliance with GCPs, the FDA may issue an approval letter or a complete response letter. An approval letter authorizes commercial marketing of the product with specific prescribing information for specific indications. If the application is not approved, the FDA will issue a complete response letter, which will contain the conditions that must be met in order to secure final

approval of the application, and when possible will outline recommended actions the sponsor might take to obtain approval of the application. Sponsors that receive a complete response letter may submit to the FDA information that represents a complete response to the issues identified by the FDA. Such resubmissions are classified under PDUFA as either Class 1 or Class 2. The classification of a resubmission is based on the information submitted by an applicant in response to an action letter. Under the goals and policies agreed to by the FDA under PDUFA, the FDA has two months to review a Class 1 resubmission and six months to review a Class 2 resubmission. The FDA will not approve an application until issues identified in the complete response letter have been addressed.

The FDA may also refer the application to an advisory committee for review, evaluation and recommendation as to whether the application should be approved. In particular, the FDA may refer applications for novel biologic products or biologic products that present difficult questions of safety or efficacy to an advisory committee. Typically, an advisory committee is a panel of independent experts, including clinicians and other scientific experts, that reviews, evaluates and provides a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

If the FDA approves a new product, it may limit the approved indication(s) for use of the product. It may also require that contraindications, warnings, or precautions be included in the product labeling. In addition, the FDA may call for post-approval studies, including Phase 4 clinical trials, to further assess the product's efficacy and/or safety after approval. The agency may also require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution restrictions or other risk management mechanisms, including REMS, to help ensure that the benefits of the product outweigh the potential risks. REMS can include medication guides, communication plans for healthcare professionals and elements to assure safe use (ETASU). ETASU can include, but are not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring and the use of patent registries. The FDA may prevent or limit further marketing of a product based on the results of post-market studies or surveillance programs. After approval, many types of changes to the approved product, such as adding new indications, manufacturing changes and additional labeling claims, are subject to further testing requirements and FDA review and approval.

Fast track, breakthrough therapy, priority review and regenerative medicine advanced therapy designations

The FDA is authorized to designate certain products for expedited review if they are intended to address an unmet medical need in the treatment of a serious or life-threatening disease or condition. These programs are referred to as fast track designation, breakthrough therapy designation, priority review designation and regenerative medicine advanced therapy (RMAT). These designations are not mutually exclusive, and a product candidate may qualify for one or more of these programs. While these programs are intended to expedite product development and approval, they do not alter the standards for FDA approval.

Specifically, the FDA may designate a product for fast track review if it is intended, whether alone or in combination with one or more other products, for the treatment of a serious or life-threatening disease or condition, and it demonstrates the potential to address unmet medical needs for such a disease or condition. For fast track products, sponsors may have greater interactions with the FDA and the FDA may initiate review of sections of a fast track product's application before the application is complete. This rolling review may be available if the FDA determines, after preliminary evaluation of clinical data submitted by

the sponsor, that a fast track product may be effective. The sponsor must also provide, and the FDA must approve, a schedule for the submission of the remaining information and the sponsor must pay applicable user fees. However, the FDA's time period goal for reviewing a fast track application does not begin until the last section of the application is submitted. In addition, the fast track designation may be withdrawn by the FDA if the FDA believes that the designation is no longer supported by data emerging in the clinical trial process.

Second, in 2012, Congress enacted the Food and Drug Administration Safety and Innovation Act. This law established a new regulatory scheme allowing for expedited review of products designated as "breakthrough therapies." A product may be designated as a breakthrough therapy if it is intended, either alone or in combination with one or more other products, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The FDA may take certain actions with respect to breakthrough therapies, including holding meetings with the sponsor throughout the development process; providing timely advice to the product sponsor regarding development and approval; involving more senior staff in the review process; assigning a cross-disciplinary project lead for the review team; and taking other steps to design the clinical trials in an efficient manner. Breakthrough designation may be rescinded if a product no longer meets the qualifying criteria.

Third, the FDA may designate a product for priority review if it is a product that treats a serious condition and, if approved, would provide a significant improvement in safety or effectiveness. The FDA determines, on a case-by-case basis, whether the proposed product represents a significant improvement when compared with other available therapies. Significant improvement may be illustrated by evidence of increased effectiveness in the treatment of a condition, elimination or substantial reduction of a treatment-limiting product reaction, documented enhancement of patient compliance that may lead to improvement in serious outcomes, and evidence of safety and effectiveness in a new subpopulation. A priority designation is intended to direct overall attention and resources to the evaluation of such applications, and to shorten the FDA's goal for taking action on a marketing application from ten months to six months. Priority designation may be rescinded if a product no longer meets the qualifying criteria.

With passage of the Cures Act in December 2016, Congress authorized the FDA to accelerate review and approval of products designated as regenerative medicine advanced therapies. A product is eligible for RMAT designation if it is a regenerative medicine therapy that is intended to treat, modify, reverse or cure a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the product has the potential to address unmet medical needs for such disease or condition. In a recent guidance on expedited programs for regenerative medicine therapies for serious conditions, FDA specified that its interpretation of the definition of regenerative medicine advanced therapy products includes gene therapies that lead to a sustained effect on cells or tissues, such as in vivo AAV vectors delivered to non-dividing cells. The benefits of a regenerative medicine advanced therapy designation include early interactions with FDA to expedite development and review, benefits available to breakthrough therapies, potential eligibility for priority review, and accelerated approval based on surrogate or intermediate endpoints. RMAT designation may be rescinded if a product no longer meets the qualifying criteria.

Accelerated approval pathway

The FDA may grant accelerated approval to a product for a serious or life-threatening condition that provides meaningful therapeutic advantage to patients over existing treatments based upon a determination that

the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit. The FDA may also grant accelerated approval for such a condition when the product has an effect on an intermediate clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality (IMM), and that is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity or prevalence of the condition and the availability or lack of alternative treatments. Products granted accelerated approval must meet the same statutory standards for safety and effectiveness as those granted traditional approval.

For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit but is not itself a measure of clinical benefit. Surrogate endpoints can often be measured more easily or more rapidly than clinical endpoints. An intermediate clinical endpoint is a measurement of a therapeutic effect that is considered reasonably likely to predict the clinical benefit of a product, such as an effect on IMM. The FDA has limited experience with accelerated approvals based on intermediate clinical endpoints, but has indicated that such endpoints generally may support accelerated approval where the therapeutic effect measured by the endpoint is not itself a clinical benefit and basis for traditional approval, if there is a basis for concluding that the therapeutic effect is reasonably likely to predict the ultimate clinical benefit of a product.

The accelerated approval pathway is most often used in settings in which the course of a disease is long and an extended period of time is required to measure the intended clinical benefit of a product, even if the effect on the surrogate or intermediate clinical endpoint occurs rapidly. Thus, accelerated approval has been used extensively in the development and approval of products for treatment of a variety of cancers in which the goal of therapy is generally to improve survival or decrease morbidity and the duration of the typical disease course requires lengthy and sometimes large trials to demonstrate a clinical or survival benefit.

The accelerated approval pathway is usually contingent on a sponsor's agreement to conduct, in a diligent manner, additional post-approval confirmatory studies to verify and describe the product's clinical benefit. As a result, a product candidate approved on this basis is subject to rigorous post-marketing compliance requirements, including the completion of Phase 4 or post-approval clinical trials to confirm the effect on the clinical endpoint. Failure to conduct required post-approval studies, confirm a clinical benefit during post-marketing studies or dissemination of false or misleading promotional materials would allow the FDA to withdraw the product from the market on an expedited basis. All promotional materials for product candidates approved under accelerated regulations are subject to prior review by the FDA.

Post-approval regulation

If regulatory approval for marketing of a product or new indication for an existing product is obtained, the sponsor will be required to comply with all regular post-approval regulatory requirements as well as any post-approval requirements that the FDA have imposed as part of the approval process. The sponsor will be required to report certain adverse reactions and production problems to the FDA, provide updated safety and efficacy information and comply with requirements concerning advertising and promotional labeling requirements. Manufacturers and certain of their subcontractors are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with ongoing regulatory requirements, including cGMP regulations, which impose certain procedural and documentation requirements upon manufacturers. Accordingly, the sponsor and its third-party manufacturers must continue to expend time,

money and effort in the areas of production and quality control to maintain compliance with cGMP regulations and other regulatory requirements.

A product may also be subject to official lot release, meaning that the manufacturer is required to perform certain tests on each lot of the product before it is released for distribution. If the product is subject to official lot release, the manufacturer must submit samples of each lot, together with a release protocol showing a summary of the history of manufacture of the lot and the results of all of the manufacturer's tests performed on the lot, to the FDA. The FDA may in addition perform certain confirmatory tests on lots of some products before releasing the lots for distribution. Finally, the FDA will conduct laboratory research related to the safety, purity, potency and effectiveness of pharmaceutical products.

Once an approval is granted, the FDA may withdraw the approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;
- fines, warning letters or holds on post-approval clinical trials;
- refusal of the FDA to approve pending applications or supplements to approved applications, or suspension or revocation of product license approvals;
- product recall, seizure or detention, or refusal to permit the import or export of products; or
- injunctions or the imposition of civil or criminal penalties.

Pharmaceutical and biologics products may be promoted only for the approved indications and in accordance with the provisions of the approved label. Although healthcare providers may prescribe products for uses not described in the drug's labeling, known as off-label uses, in their professional judgment, manufacturers are prohibited from soliciting, encouraging or promoting unapproved uses of a product.

If a company is found to have promoted off-label uses, it may become subject to adverse public relations and administrative and judicial enforcement by the FDA, the DOJ, or the Office of the Inspector General of the Department of Health and Human Services, as well as state authorities. This could subject a company to a range of penalties that could have a significant commercial impact, including civil and criminal fines and agreements that materially restrict the manner in which a company promotes or distributes products. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has also requested that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed.

Orphan drug designation

Orphan drug designation in the United States is designed to encourage sponsors to develop products intended for treatment of rare diseases or conditions. In the United States, a rare disease or condition is statutorily defined as a condition that affects fewer than 200,000 individuals in the United States or that affects more than 200,000 individuals in the United States and for which there is no reasonable expectation that the cost of developing and making available the biologic for the disease or condition will be recovered from sales of the product in the United States.

Orphan drug designation qualifies a company for tax credits and market exclusivity for seven years following the date of the product's marketing approval if granted by the FDA. An application for designation as an orphan product can be made any time prior to the filing of an application for approval to market the product. A product becomes an orphan when it receives orphan drug designation from the Office of Orphan Products Development at the FDA based on acceptable confidential requests made under the regulatory provisions. The product must then go through the review and approval process like any other product.

A sponsor may request orphan drug designation of a previously unapproved product or new orphan indication for an already marketed product. In addition, a sponsor of a product that is otherwise the same product as an already approved orphan drug may seek and obtain orphan drug designation for the subsequent product for the same rare disease or condition if it can present a plausible hypothesis that its product may be clinically superior to the first drug. More than one sponsor may receive orphan drug designation for the same product for the same rare disease or condition, but each sponsor seeking orphan drug designation must file a complete request for designation.

If a product with orphan designation receives the first FDA approval for the disease or condition for which it has such designation or for a select indication or use within the rare disease or condition for which it was designated, the product generally will receive orphan drug exclusivity. Orphan drug exclusivity means that the FDA may not approve another sponsor's marketing application for the same product for the same indication for seven years, except in certain limited circumstances. In particular, the concept of what constitutes the "same drug" for purposes of orphan drug exclusivity remains in flux in the context of gene therapies, and the FDA has issued recent draft guidance suggesting that it would not consider two gene therapy products to be different drugs solely based on minor differences in the transgenes or vectors within a given vector class. If a product designated as an orphan drug ultimately receives marketing approval for an indication broader than what was designated in its orphan drug application, it may not be entitled to exclusivity.

The period of exclusivity begins on the date that the marketing application is approved by the FDA and applies only to the indication for which the product has been designated. The FDA may approve a second application for the same product for a different use or a second application for a clinically superior version of the product for the same use. The FDA cannot, however, approve the same product made by another manufacturer for the same indication during the market exclusivity period unless it has the consent of the sponsor or the sponsor is unable to provide sufficient quantities.

Pediatric exclusivity

Pediatric exclusivity is another type of non-patent marketing exclusivity in the United States and, if granted, provides for the attachment of an additional six months of marketing protection to the term of any existing

regulatory exclusivity, including the non-patent and orphan exclusivity. This six-month exclusivity may be granted if a BLA sponsor submits pediatric data that fairly respond to a written request from the FDA for such data. The data do not need to show the product to be effective in the pediatric population studied; rather, if the clinical trial is deemed to fairly respond to the FDA's request, the additional protection is granted. If reports of requested pediatric studies are submitted to and accepted by the FDA within the statutory time limits, whatever statutory or regulatory periods of exclusivity that cover the product are extended by six months.

Biosimilars and exclusivity

The 2010 Patient Protection and Affordable Care Act, which was signed into law in March 2010, included a subtitle called the Biologics Price Competition and Innovation Act of 2009 (BPCIA). The BPCIA established a regulatory scheme authorizing the FDA to approve biosimilars and interchangeable biosimilars. A biosimilar is a biological product that is highly similar to an existing FDA-licensed "reference product." As of January 1, 2020, the FDA has approved 26 biosimilar products for use in the United States. No interchangeable biosimilars, however, have been approved. The FDA has issued several guidance documents outlining an approach to review and approval of biosimilars. Additional guidance is expected to be finalized by the FDA in the near term.

Under the BPCIA, a manufacturer may submit an application for licensure of a biologic product that is "biosimilar to" or "interchangeable with" a previously approved biological product or "reference product." In order for the FDA to approve a biosimilar product, it must find that there are no clinically meaningful differences between the reference product and proposed biosimilar product in terms of safety, purity and potency. For the FDA to approve a biosimilar product as interchangeable with a reference product, the agency must find that the biosimilar product can be expected to produce the same clinical results as the reference product, and (for products administered multiple times) that the biologic and the reference biologic may be switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic.

Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date of approval of the reference product. The FDA may not approve a biosimilar product until 12 years from the date on which the reference product was approved. Even if a product is considered to be a reference product eligible for exclusivity, another company could market a competing version of that product if the FDA approves a full BLA for such product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of their product. The BPCIA also created certain exclusivity periods for biosimilars approved as interchangeable products. At this juncture, it is unclear whether products deemed "interchangeable" by the FDA will, in fact, be readily substituted by pharmacies, which are governed by state pharmacy law. Since the passage of the BPCIA, many states have passed laws or amendments to laws, including laws governing pharmacy practices, which are state-regulated, to regulate the use of biosimilars.

Federal and state data privacy and security laws

Under the federal Health Insurance Portability and Accountability Act of 1966 (HIPAA), the U.S. Department of Health and Human Services (HHS), has issued regulations to protect the privacy and security of protected health information (PHI), used or disclosed by covered entities including certain healthcare providers, health plans and healthcare clearinghouses. HIPAA also regulates standardization of data content, codes and

formats used in healthcare transactions and standardization of identifiers for health plans and providers. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 or HITECH, and their regulations, including the omnibus final rule published on January 25, 2013, also imposes certain obligations on the business associates of covered entities that obtain protected health information in providing services to or on behalf of covered entities. In addition to federal privacy regulations, there are a number of state laws governing confidentiality and security of health information that are applicable to our business. In addition to possible federal civil and criminal penalties for HIPAA violations, state attorneys general are authorized to file civil actions for damages or injunctions in federal courts to enforce HIPAA and seek attorney's fees and costs associated with pursuing federal civil actions. Accordingly, state attorneys general (along with private plaintiffs) have brought civil actions seeking injunctions and damages resulting from alleged violations of HIPAA's privacy and security rules. New laws and regulations governing privacy and security may be adopted in the future as well.

Additionally, California recently enacted legislation that has been dubbed the first "GDPR-like" law in the United States. Known as the California Consumer Privacy Act (CCPA), it creates new individual privacy rights for consumers (as that word is broadly defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA went into effect on January 1, 2020 and requires covered companies to provide new disclosures to California consumers, provide such consumers new ways to opt-out of certain sales of personal information, and allow for a new cause of action for data breaches. The CCPA could impact our business activities depending on how it is interpreted and exemplifies the vulnerability of our business to not only cyber threats but also the evolving regulatory environment related to personal data and protected health information.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbours available under such laws, it is possible that some of our current or future business activities, including certain clinical research, sales and marketing practices and the provision of certain items and services to our customers, could be subject to challenge under one or more of such privacy and data security laws. The heightening compliance environment and the need to build and maintain robust and secure systems to comply with different privacy compliance and/or reporting requirements in multiple jurisdictions could increase the possibility that a healthcare company may fail to comply fully with one or more of these requirements. If our operations are found to be in violation of any of the privacy or data security laws or regulations described above that are applicable to us, or any other laws that apply to us, we may be subject to penalties, including potentially significant criminal, civil and administrative penalties, damages, fines, imprisonment, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and/or oversight if we become subject to a consent decree or similar agreement to resolve allegations of non-compliance with these laws, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations. To the extent that any product candidates we may develop, once approved, are sold in a foreign country, we may be subject to similar foreign laws.

Health Care Fraud and Abuse Laws

In the United States, drug and biologics product manufacturers are also subject to regulation by various federal, state and local authorities in addition to the FDA, including, but not limited, to the Centers for Medicare and Medicaid Services and other divisions of the United States government, including the U.S. Federal Communications Commission, the Department of Health and Human Services, the U.S. Department of Justice and individual U.S. Attorney offices within the Department of Justice, and state and local

governments. For example, if a drug product is reimbursed by Medicare, Medicaid, or other federal or state healthcare programs, the manufacturer, including sales, marketing and scientific/educational grant programs, among others, must comply with federal healthcare laws, including, but not limited to, the federal Anti-Kickback Statute, false claims laws, civil monetary penalties laws, healthcare fraud and false statement provisions, the Physician Payment Sunshine Act, and any analogous state laws. If a drug product is reimbursed by Medicare or Medicaid, pricing and rebate programs must comply with, as applicable, the Medicaid rebate requirements of the Omnibus Budget Reconciliation Act of 1990, or OBRA, and the Medicare Prescription Drug Improvement and Modernization Act of 2003, or MMA. Among other things, OBRA requires drug manufacturers to pay rebates on prescription drugs to state Medicaid programs and empowers states to negotiate rebates on pharmaceutical prices, which may result in prices for future products that will likely be lower than prices that might otherwise be obtained. Failure to comply with these laws can subject a manufacturer to significant civil and criminal penalties.

USE OF PROCEEDS

Proceeds

Assuming the Minimum Offering is completed and the Agent's Option is not exercised, the Company anticipates receiving net proceeds of approximately C$3,545,000 and, assuming the Maximum Offering is fully subscribed and the Agent's Option is not exercised, the Company anticipates receiving net proceeds of approximately C$4,910,000, in each case after the deduction of the Commission (assuming no proceeds are raised from President's List Sales), the Management Fee and estimated expenses of the Offering and the Concurrent Private Placement of approximately C$550,000.

Assuming the Minimum Offering is completed and the Agent exercises the Agent's Option in full, the Company anticipates receiving net proceeds of approximately C$4,159,250 and, assuming the Maximum Offering is fully subscribed and the Agent's Option is exercised in full, the Company anticipates receiving net proceeds of approximately C$5,729,000, in each case after the deduction of the Commission (assuming no proceeds are raised from President's List Sales), the Management Fee and estimated expenses of the Offering and the Concurrent Private Placement of approximately C$550,000.

Available Funds

The estimated working capital of GeneTether on the last day of the month before filing the Prospectus was C$95,000 (unaudited). Assuming completion of the Minimum Offering, the Company will have total estimated available funds of C$3,545,000. Assuming the Maximum Offering is fully subscribed, the Company will have total estimated available funds of $4,910,000.

Source of Funds	Minimum Offering	Maximum Offering
Estimated Working Capital of GeneTether as at February 28, 2022	C$95,000[(1)]	C$95,000[(1)]
Estimated Net Proceeds from the Offering[(2)]	C$3,545,000	C$4,910,000
Total Available Funds (unaudited)	C$3,695,000	C$5,060,000

Notes:
(1) Based on the March 18, 2022 Bank of Canada daily close exchange rate of US$1.00 to C$1.2617.

(2) Assuming no proceeds are raised from President's List Sales and the Agent's Option is not exercised, after deducting the Commission, Management Fee, and estimated costs of the Offering and the Concurrent Private Placement of approximately $550,000.

Principal Purposes

In the 12 months following the completion of the Offering, the Company intends to use the funds available to as indicated in the following table:

Use of Available Funds	**Minimum Offering**[(1)]	**Maximum Offering**[(1)]
Research and Development	C$1,842,000	C$2,842,000
Ongoing validation of GeneTether platform technology and IP portfolio expansion	C$1,032,000	C$1,532,000
Identification of lead development program(s)	C$810,000	C$1,310,000
General and Administrative Expenses[(1)]	C$1,350,000	C$1,350,000
Unallocated Working Capital[(2)]	C$448,000	C$813,000
Total Available Funds (unaudited)	**C$3,640,000**	**C$5,005,000**

Notes:
(1) Estimated general and administrative expenses for the next 12 months are comprised of: C$543,000 for consulting fees allocated to executive compensation; C$500,000 for D&O Insurance; C$122,000 for professional services (including accounting and legal services; C$115,000 for investor relations activities; and C$70,000 for administrative expenses.
(2) Our unallocated working capital is to provide additional contingency for additional research & development, overhead and general and administrative expense overrun.

Research and Development Activities

The Company intends to use a portion of the funds raised pursuant to the Offering for research and development purposes. The Company anticipates that all or a portion of such research and development activities will be subcontracted out to third-party organizations. See "*General Development and Business of the Company*".

If the Agent's Option is exercised either in full or in part, we will use the proceeds received, after deducting the Agent's Commission and expenses of the Offering and the Concurrent Private Placement, to supplement our unallocated working capital.

The Company intends to spend its available funds as set out in this Prospectus. However, there may be situations where, due to changes in the Company's circumstances, business outlook, research results and or for other reasons, including unforeseen impacts resulting from the COVID-19 pandemic, that a reallocation of funds is necessary in order for the Company to achieve its overall business objectives. Management has, and will continue to have, the discretion to modify the allocation of the Company's available funds, including the net proceeds of the Offering and the Concurrent Private Placement, if necessary. If management determines that a reallocation of funds is necessary, the Company may redirect its available funds, including the net proceeds of the Offering and the Concurrent Private Placement, to purposes other than as described in this Prospectus. The actual amount that the Company spends in

connection with each of the intended uses of funds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under "*Risk Factors*".

Business Objectives and Milestones

The objectives we expect to accomplish using our available funds in the next 12 months, are as follows:

Business Objective	**Milestones that must occur for Business Objective to be accomplished**	**Anticipated timing to achieve Business Objective**	**Estimated cost (Minimum Offering)**	**Estimated cost (Maximum Offering)**
Continued validation of GeneTether platform technology and expansion of IP portfolio	Identify and engage qualified contract research organizations Non-cGMP manufacture of key components of our GeneTether-based gene editing system Complete *in vitro* gene editing in multiple cell types to further the utility of the GeneTether platform technology on a broad scale	H1 2022 H1 2022 H2 2022	C$1,032,000	C$1,532,000
Identification of lead development program(s)	Identify and engage key opinion leaders in the areas of our potential disease targets, Initiate and/or complete *in vitro* cell line editing in the disease targets as described under "Our GeneTether Platform for Rare, Monogenic Kidney Diseases" and "Our GeneTether Platform for Rare, Monogenic Skin Diseases" Complete assessment of various delivery	H1 2022 H2 2022 H2 2022	C$810,000	C$1,310,000

	platforms in kidney model			

We expect that with the funds anticipated to be available to the Company following the Offering and the Concurrent Private Placement we will make significant progress in our research and development program. However, there may be situations where, due to changes in the Company's circumstances, business outlook, research results or other reasons, including unforeseen impacts resulting from the COVID-19 pandemic, such progress is delayed. Management has, and will continue to have, the discretion to modify the Company's objectives, if necessary. See "*Risk Factors*".

Unallocated Funds in Trust or Escrow

Unallocated funds will be deposited in the Company's bank account and added to the working capital of the Company. Our Chief Financial Officer is responsible for the supervision of all our financial assets. Based on our cash flows requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary.

Negative Operating Cash Flow

Each of the Company and GeneTether has incurred losses since their respective dates of incorporation. As at September 30, 2021, GeneTether has incurred cumulative net losses of $1,317,970. By the nature of our business as a pharmaceutical company focused on discovering and developing novel therapeutics for the treatment of rare diseases and other diseases with high unmet medical needs, GeneTether has negative cash flow from its operating activities and currently generates no revenue from its activities. The Company anticipates that it will continue to have negative cash flow until such time as commercial production is achieved on one or more of its product candidates. GeneTether has to this date funded its operations with proceeds from equity and debt financings and expects to raise additional funds through equity and debt financings. There is no guarantee the Company will ever become profitable.

See "*Risk Factors – Risks Related to the Company*".

DIVIDEND POLICY

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Common Shares, and does not currently have a policy with respect to the payment of dividends or other distributions. The Company does not currently pay dividends and does not intend to pay dividends in the foreseeable future. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on numerous factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and such other factors as its directors consider appropriate. There can be no assurance that the Company will pay dividends under any circumstances. See "*Risk Factors – Risks Related to the Company*".

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table sets forth selected financial information with respect to the Company and GeneTether. The selected financial information has been derived, except where indicated, from: (i) the Company's audited financial statements for the period from incorporation on October 13, 2021 to October 25, 2021,

(ii) GeneTether's audited financial statements for the years ended December 31, 2020 and 2019 and (iii) GeneTether's unaudited financial statements for the interim period ended September 30, 2021 and 2020. The following should be read in conjunction with the said financial statements, the related notes and the auditor's reports included in this Prospectus, together with the information under "*Note to Investors*", "*Risk Factors*", "*Consolidated Capitalization*" and "*Management's Discussion and Analysis*".

	The Company for the period from incorporation on October 13, 2021 to October 25, 2021 (audited)	**GeneTether for the nine months ended September 30, 2021 (unaudited)**	**GeneTether for the year ended December 31, 2020 (audited)**	**GeneTether for the year ended December 31, 2019 (audited)**
Total Revenue	Nil	Nil	Nil	Nil
Total Assets	C$0.001	$610,783	$45,389	$13,117
Total Liabilities	Nil	$90,166	$123,164	$21,386
Expenses	Nil	$1,076,322	$71,962	$86,232
Net Loss	Nil	$(1,076,635)	$(72,966)	$(86,741)
Net Loss per Common Share (basic and diluted)	Nil	$(1.15)	$(0.10)	$(0.12)
Total Liabilities and Shareholders' Equity	C$0.001	$610,783	$45,389	$13,117

Management Discussion and Analysis

Overview

Attached to this Prospectus as Schedules "C" and "E", respectively, are GeneTether's management discussion and analysis for the year ended December 31, 2020 and the interim period ended September 30, 2021.

The MD&A should be read in conjunction with GeneTether's financial statements and the related notes and auditor's report thereon, which are included in this Prospectus, together with the information included under *"Risk Factors"*, *"Consolidated Capitalization*", and *"Selected Financial Information and Management's Discussion and Analysis – Selected Financial Information"*.

Certain information contained in the MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Cautionary Note Regarding Forward-Looking Information" for further details.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value of which 41,666,648 Common Share are issued and outstanding as at the date of this Prospectus.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board of Directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Unit Warrants

The Unit Warrants will be governed by the terms and conditions set forth in the Warrant Indenture between the Company and the Warrant Agent, which indenture will provide for the creation of the Unit Warrants and includes a form of Unit Warrant certificate. The following is a summary description of certain material provisions of the Warrant Indenture, it does not purport to be a comprehensive summary and is qualified in its entirety by reference to the more detailed provisions of the Warrant Indenture, a copy of which may be obtained on request without charge from the Company at its registered office or electronically on SEDAR at www.sedar.com.

Each Unit Warrant will be exercisable to acquire one Warrant Share at an exercise price of C$0.72 per Warrant Share at any time up to the date which is 36 months from the Closing Date, subject to adjustment in certain events.

The Warrant Indenture provides for adjustment in the number of Warrant Shares issuable upon the exercise of the Unit Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including: (i) the subdivision, re-division or change of the outstanding Common Shares into a greater number of Common Shares; (ii) the reduction, combination or consolidation of the outstanding Common Shares into a lesser number of Common Shares; (iii) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than upon exercise of Warrants); and (iv) the fixing of a record date for the issuance or distribution to all or substantially all of the holders of the Common Shares of: (a) securities of any class, whether of the Company or any other trust (other than Common Shares), (b) rights, options or warrants to subscribe for or purchase Common Shares (or other securities convertible into or exchangeable for Common Shares), (c) evidences of its indebtedness, or (iv) any property or other assets.

The Warrant Indenture also provides for adjustments in the class and/or number of securities issuable upon exercise of the Unit Warrants and/or exercise price per security in the event of the following additional

events: (i) reclassifications of the Common Shares or a capital reorganization other than as described above; (ii) consolidations, amalgamations, arrangements, or mergers of the Company with or into another entity; or (iii) the sale or conveyance of the property or assets of the Company as an entirety or substantially as on entirety to any other entity.

Notwithstanding the foregoing, no adjustment shall be made in the acquisition rights attached to the Unit Warrants if the issue of Common Shares is being made pursuant to the Warrant Indenture or in connection with: (i) any share incentive plan or restricted share plan or share purchase plan in force from time to time for directors, officers, employees, consultants, or other service providers of the Company; or (ii) the satisfaction of existing instruments issued and outstanding at the Closing Date.

The Company has agreed that, so long as any Unit Warrant remains outstanding, it will give notice to the Warrant Agent and to the holders of Unit Warrants of its intention to fix a record date that is prior to the expiry date of the Unit Warrants for any matter for which an adjustment may be required pursuant to the Warrant Indenture. Such notice is to specify the particulars of such event and the record date for such event, provided that the Company shall only be required to specify in the notice such particulars of the event as shall have been fixed and determined on the date on which the notice is given. The notice is to be given, in each case, not less than 30 days prior to such applicable record date. If notice has been given and the adjustment is not then determinable, the Company shall promptly, after the adjustment is determinable, file with the Warrant Agent a computation of the adjustment and give notice to the holders of Unit Warrants of such adjustment computation.

Neither the Unit Warrants nor the Common Shares issuable upon exercise of the Unit Warrants have been or will be registered under the U.S. Securities Act or any state securities regulations. Accordingly, the Unit Warrants may not be exercised in the United States or by, or on behalf of, a U.S. Person (as defined in Rule 902(k) of the U.S. Securities Act) or a person in the United States unless exemptions are available from the registration requirements of the U.S. Securities Act and the securities laws of all applicable states.

No fractional Warrant Shares will be issuable upon the exercise of any Unit Warrants, and no cash or other consideration will be paid in lieu of fractional shares. Holders of Unit Warrants will not have any voting or preemptive rights or any other rights that a holder of Common Shares would have.

Warrant Shares

The Warrant Shares issuable pursuant to exercise of the Unit Warrants will have the same rights as the Common Shares. See "*Description of Securities Distributed – Common Shares*" for a description of the rights of holders of Common Shares.

Compensation Warrants

On the Closing Date, the Company will issue Compensation Warrants to the Agent. The Compensation Warrants will be qualified by this Prospectus. Each Compensation Warrant will be exercisable at a price of C$0.60 per Compensation Warrant for a period of 36 months from the Closing Date to acquire one Compensation Unit. Each Compensation Unit will consist of one Compensation Unit Share and one Compensation Unit Warrant. Each Compensation Unit Warrant will entitle the holder to purchase one Compensation Unit Warrant Share at a price of C$0.72 per share for a period of 36 months from the Closing Date.

The certificates representing the Compensation Warrants and Compensation Unit Warrants will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Compensation Unit Warrants to be issued on exercise of such options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends, and corporate reorganization of the Company. The issue of Compensation Warrants will not restrict or prevent the Company from obtaining any other financing, or from issuing additional securities or rights, during the period within which the options may be exercised. This Prospectus qualifies the distribution of the Compensation Warrants. See "*Plan of Distribution*".

Agent's Option

The Company has granted to the Agent the Agent's Option, exercisable in whole or in part, in the sole discretion of the Agent, for a period of 30 days from the Closing Date, to increase the size of the Offering by up to 15% or, assuming the Maximum Offering is fully subscribed, up to 1,500,000 Units at the Offering Price, up to 1,500,000 Agent's Option Shares at a price of C$0.507 per Agent's Option Share and up to 1,500,000 Agent's Option Warrants at a price of C$0.093 per Agent's Option Warrant. If the Agent's Option is exercised in full and assuming the Minimum Offering is completed, the total "Price to the Public", "Agent's Fee" and "Net Proceeds to the Company" will be C$5,175,000, C$414,000 and C$4,761,000, respectively (assuming no proceeds are raised from President's List Sales). If the Agent's Option is exercised in full and assuming the Maximum Offering is fully subscribed, the total "Price to the Public", "Agent's Commission" and "Net Proceeds to the Company" will be C$6,900,000, C$552,000 and C$6,348,000, respectively (assuming no proceeds are raised from President's List Sales). This Prospectus qualifies the grant of the Agent's Option and the distribution of the Agent's Option Units issuable upon exercise of the Agent's Option.

CONSOLIDATED CAPITALIZATION

There have been the following material changes in the Company's share capital since September 30, 2021, the date of its most recently completed financial period (the Company has no loan capital as of the date of this Prospectus):

Reorganization

In connection with the Reorganization, the Company issued an aggregate of 41,666,648, Common Shares to former holders of securities of GeneTether.

Stock Options

On April 21, 2021, July 1, 2021, October 1, 2021, October 19, 2021 and October 21, 2021, GeneTether granted an aggregate of 489,516 Options at a price of US$5.45221 to certain consultants and directors of GeneTether. The Options vest in periods ranging from 0 to 36 months and expire ten years following the date of grant. On October 13, 2021, 109,995 of the Options were cancelled in connection with the termination of a consulting agreement in exchange for a grant of 10,000 shares of common stock.

On November 30, 2021, the Company completed the Reorganization, issuing 37.32 Common Shares for each one (1) share of GeneTether's common stock held immediately prior to the Reorganization. GeneTether split the options 37.32 for 14,164,955 total options issued. Subsequent to the Reorganization, the Company and certain holders of Options granted under the Legacy Plan agreed to cancel an aggregate of 4,366,820 Options effective December 1, 2021.

In connection with the Reorganization, the options granted by GeneTether were assumed by the Company but continue to be governed in accordance with the Legacy Plan. See: "*Options to Purchase Securities*". New Options granted subsequent to the Offering will be governed in accordance with the Plan.

Assuming completion of the Minimum Offering, the Company anticipates issuing 7,500,000 Unit Shares (8,625,000 Unit Shares if the Agent's Option is exercised in full). Assuming the Maximum Offering is fully subscribed, the Company anticipates issuing 10,000,000 Unit Shares (11,500,000 Unit Shares if the Agent's Option is exercised in full). Assuming completion of the Minimum Offering, the Company will have 49,166,648 Common Shares issued and outstanding (50,291,648 Common Shares issued and outstanding if the Agent's Option is exercised in full). Assuming the Maximum Offering is fully subscribed, the Company will have 51,666,648 Common Shares issued and outstanding (53,166,648 Common Shares issued and outstanding if the Agent's Option is exercised in full).

The following table sets forth the consolidated share capitalization of the Company as at September 30, 2021 on an actual basis and on a pro forma basis as adjusted to give effect to the completion of the Offering, the Concurrent Private Placement, the Reorganization and the cancellation of certain Options. Investors should read the following information in conjunction with the Company's and GeneTether's respective audited financial statements and related notes thereto, along with the associated MD&A, included in this Prospectus.

Description of Security	**Amount Authorized**	**Amount Outstanding as of September 30, 2021**	**Amount Outstanding as at September 30, 2021 after giving effect to the Reorganization and the Minimum Offering**[(1)]	**Amount Outstanding as at September 30, 2021 after giving effect to the Reorganization and the Minimum Offering, assuming the exercise of the Agent's Option in full**[(1)]	**Amount Outstanding as at September 30, 2021 after giving effect to the Reorganization and the Maximum Offering**[(1)]	**Amount Outstanding as at September 30, 2021 after giving effect to the Reorganization and the Maximum Offering, assuming the exercise of the Agent's Option in full**[(1)]
Common Shares	Unlimited	1,011,085[(2)]	45,236,977	46,361,977	47,736,977	49,236,977
Options	20% of issued and outstanding Common Shares upon completion of the Offering	152,016[(3)]	5,673,731	5,673,731	5,673,731	5,673,731

Notes:

(1) On November 30, 2021, the Company completed the Reorganization, issuing 37.32 Common Shares for each one (1) share of GeneTether's common stock held immediately prior to the Reorganization.

(2) Subsequent to September 30, 2021, an additional 10,000 Common Shares were issued.
(3) Includes 109,995 Options which were subsequently cancelled on October 13, 2021. Subsequent to September 30, 2021, an additional 297,500 Options were issued, 117,000 of which were subsequently cancelled by the Company with an effective date of December 1, 2021.

OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

Incentive stock options granted by GeneTether prior the Reorganization are governed by the Legacy Plan. Any new Options granted by the Company subsequent to the completion of the Offering will be governed by the Company's stock option plan (the "**Plan**") approved by the Company's directors on January 26, 2022. The purposes of the Plan are to: (i) to attract and retain the types of employees, consultants, and directors who will contribute to the Company's long-range success, (ii) provide incentives that align the interests of employees, consultants, and directors with those of the security holders of the Company, and (c) promote the success of the Company's business.

The Plan and the Legacy Plan are administered by the Company's Board or by a special committee of directors appointed from time to time by the Board.

The material terms of the Plan are as follows:

- the aggregate number of Common Shares issuable upon the exercise of all Options granted under the Plan and the Legacy Plan shall be fixed at 20% of the Company's issued and outstanding Common Shares, on a non-diluted basis, upon completion of the Offering.

- The term of any Options granted under the Plan will be fixed by the Board at the time such Options are granted, provided that the term of the Options will not be permitted to exceed ten (10) years from the date of grant.

- The exercise price of any Options granted under the Plan will be determined by the Board, subject to the approval of any applicable stock exchange. In no event, shall such exercise price be less than the 100% of the fair market value of the Common Shares as of the date of grant.

- The Company may impose vesting periods on any Options granted.

- Options granted to persons who perform investor relations services in any 12-month period will not exceed two (2%) percent of the issued and outstanding Common Shares as of the date of the grant.

- All Options will be non-assignable and non-transferable unless specifically provided in the Plan or to the extent, if any, permitted by an applicable stock exchange.

- The number of Common Shares subject to Options granted to any one participant shall be determined by the Board; provided however, that, following completion of the Offering, no one participant shall be granted Options which exceed five (5%) percent of the issued and outstanding Common Shares calculated at the date of grant in any one-year period unless otherwise permitted by an applicable stock exchange.

- The aggregate number of shares reserved for issuance under stock option grants to Insiders (as a group) may exceed 10% of the Company's issued and outstanding Common Shares.

- The Company may grant to Insiders (as a group), within a 12 month period, of an aggregate number of Options exceeding 10% of the issued and outstanding Common Shares, calculated at the date the Option is granted to any Insider. The Plan does not include restrictions on the aggregate number of Options that may be granted to Insiders (as a group).

- In the event of a change in control, the Company may in its discretion and upon at least ten (10) days' advance notice to the affected persons, cancel any outstanding Options and pay to the holders thereof, in cash or stock, or any combination thereof, the value of such Options based upon the price per Common Share received or to be received by other shareholders of the Company in the event. In the case of any Option with an exercise price that equals or exceeds the price paid for a Common Share in connection with the change in control, the Company may cancel the Option without the payment of consideration for it.

- If a participant ceases to be a director, officer, consultant or employee of the Company, for any reason (other than death), such participant may exercise his or her Option to the extent that the participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within the timeframe stipulated in the Plan, which may be 30 or 90 days after the participant ceases to be a director, officer, consultant, employee, depending on the circumstances pursuant to which the participant ceased to be a director, officer, consultant, employee.

The material terms of the Legacy Plan are as follows:

- The maximum aggregate number of Common Shares that may be issued under the Legacy Plan is 15,862,380, subject to adjustments upon changes in capitalization, merger or certain other corporate transactions.

- The term of any Options granted under the Legacy Plan will be fixed by the Board or a Committee appointed by the Board, provided that the term shall be no more than ten (10) years from the date of the grant. In the case of Incentive Stock Options (within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended) granted to a person who at the time of such grant owns stock representing more than 10% of the voting power of all classes of stock, the term of the Option shall be no more than five (5) years from the date of grant.

- The exercise price of any Options granted under the Legacy Stock Option Plan will be determined by the Board or a committee appointed by the Board. In the case of Incentive Stock Options granted to an employee who at the time of the grant owns stock representing more than 10% of the voting power of all classes of stock, the exercise price shall be no less than 110% of the fair market value of the Common Shares on the date of the grant. In the case of Incentive Stock Options granted to any other Employee, the exercise price shall be no less than 100% of the fair market value of the Common Shares on the date of the grant. In the case of an Option that is not an Incentive Stock Option, the exercise price may be less than 100% of the fair market value of the Common Shares on the date of the grant.

- The consideration to be paid for Common Shares issued upon exercise of an Option will be determined by the Board or a committee appointed by the Board, and may consist entirely of: (i) cash, (ii) cheque, (iii) delivery of a promissory note, (iv) cancellation of indebtedness, (v) other previously owned Shares, or (vi) a cashless exercise, or (vii) any combination of the foregoing.

- The Board or a committee appointed by the Board may impose vesting periods on any Options granted under the Legacy Plan.

- The Board or a committee appointed by the Board may make an offer to buy out for payment in cash or shares an Option previously granted under the Legacy Plan.

- Except in limited circumstances set forth in the Legacy Plan, Options granted under the Legacy Plan may not be sold, pledged, encumbered, assigned, hypothecated or disposed of or otherwise transferred in any manner.
- If a participant ceases to be an eligible optionee under the Legacy Plan for any reason other than disability, death, or termination for cause, the participant may exercise any vested outstanding Option within one (1) month following such termination. In the event of disability or death, the vested portion of any outstanding Options may be exercised within six (6) months following the participant's continuous service status terminated. In the event of termination of a participant's continuous service status for cause, any outstanding Option (including any vested portion thereof) held by the participant shall immediately terminate in its entirety.

As of the date hereof, the Company has an aggregate of 9,798,135 Options outstanding, as follows:

Category of Optionee	Common Shares under Options Granted[(1)]	Exercise Price per Common Share	Expiry Date
All executive officers and past executive officers as a group	3,657,678	$0.14613	Ten years from the date of grant
All directors and past directors who are not also executive officers as a group	2,612,628	$0.14613	Ten years from date of grant
Consultants, as a group (6) persons)	3,527,829	$0.14613	Ten years from date of grant
Any other person or company, other than the Agent	Nil	N/A	Ten years from date of grant
Total Options	9,798,135	$0.14613	Ten years from date of grant

Note:
(1) These Options are governed by the Legacy Plan.

PRIOR SALES

On October 13, 2021, the Company issued of one Common Share for C$0.001. This Common Share was subsequently cancelled concurrently with the completion of the Reorganization on November 30, 2021 for no consideration. On November 30, 2021, the Company issued an aggregate of 41,666,648 Common Shares to former holders of shares in the capital stock of GeneTether in connection with the Reorganization,

representing 37.32 Common Shares for each one (1) share of GeneTether's common stock held immediately prior to the Reorganization.

The following table summarizes the issuances by GeneTether of shares of its common stock and securities that are convertible or exchangeable into shares of its common stock in the 12 months prior to the date of this Prospectus:

Date	Type of Securities	Number of Securities	Issue/Exercise Price Per Security	Number of Securities post-Reorganization[(1)]	Issue/Exercise Price Per Security post-Reorganization
March 23, 2021	Common Shares	80,703	$5.45221	3,012,095	$0.1461
April 5, 2021	Common Shares	13,757	$5.45221	513,455	$0.1461
April 21, 2021	Common Shares	6,000	Nil	233,939	Nil
April 21, 2021	Options	122,016[(2)]	$5.45221	4,554,033	$0.1461
July 1, 2021	Options	30,000	$5.45221	1,119,697	$0.1461
July 30, 2021	Common Shares	15,960	$5.45221	595,676	$0.1461
October 13, 2021	Common Shares	10,000	$5.45221	373,232	$0.1461
October 19, 2021	Options	287,500[(3)]	$5.45221	10,730,433	$0.1461
October 21, 2021	Options	50,000	$5.45221	1,866,162	$0.1461

Notes:

(1) 642,705 of these Common Shares will be held in escrow in accordance with the terms of the Escrow Agreement (as defined herein).

(2) 109,995 of these Options were subsequently cancelled by GeneTether with an effective date of October 13, 2021.

(3) 117,000 of these Options were subsequently cancelled by the Company with an effective date of December 1, 2021.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

National Policy 46-201 – *Escrow for Initial Public Offerings* ("**NP 46-201**") provides that all securities of an issuer owned or controlled by a Principal (as defined in NP 46-201) must be placed in escrow at the time the issuer distributes its securities or convertible securities to the public by prospectus pursuant to an initial public offering, unless the securities held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the total issued and outstanding Common Shares of the Company after giving effect to the initial public offering.

The Principals of the Company for the purposes of NP 46-201 are William Garner, Daren Graham, Andre Pereira Fraga Figueiredo, P. Gage Jull, Roland Boivin, R. Geoffrey Sargent, and Jean Jen (collectively, the "**Escrowed Principals**").

The following table sets forth the number of securities of the Company anticipated to be held in escrow upon completion of the Offering and the percentage that number represents of the outstanding number of such securities upon completion of the Offering.

Designation of Class	Number of Escrowed Securities	Percentage of Class Minimum Offering	Percentage of Class Maximum Offering
Common Shares	40,442,051	82.3%	78.3%
Unit Warrants	5,945,000	79.3%	59.5%
Options	6,270,305	64.0%	64.0%

On or before the completion of the Offering, the Escrowed Principals will enter into an agreement (the "**Escrow Agreement**") with the Escrow Agent pursuant to which the Escrowed Principals will collectively deposit 40,442,051 Common Shares, 5,945,000 Unit Warrants and 6,270,305 Options into escrow (the "**Escrowed Securities**") with the Escrow Agent, representing 82.3% of the issued and outstanding Common Shares, 79.3% of the issued Unit Warrants and 64.0% of the granted Options after giving effect to the Minimum Offering or 78.3% of the issued and outstanding Common Shares, 59.5% of the issued Unit Warrants and 64.0% of the granted Options after giving effect to the Maximum Offering, in each case assuming the Agent's Option is not exercised.

It is anticipated that, in accordance with NP 46-201, the Escrowed Securities will be subject to a three-year escrow period and subject to the following release schedule:

Date	Amount of Escrowed Securities Released
On the Closing Date	1/10 of the Escrowed Securities
6 months after the Closing Date	1/6 of the Escrowed Securities
12 months after the Closing Date	1/5 of the Escrowed Securities
18 months after the Closing Date	1/4 of the Escrowed Securities
24 months after the Closing Date	1/3 of the Escrowed Securities
30 months after the Closing Date	1/2 of the Escrowed Securities
36 months after the Closing Date	The remaining Escrowed Securities

The Company is an "emerging issuer" as defined in NP 46-201. Should the Company become an "established issuer" as defined in NP 46-201, the release of the remaining Escrowed Securities will be accelerated on a retroactive basis such that 25% would have been released on the Listing Date and an additional 25% would have been released every six months thereafter.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement except for certain circumstances, including:

- transfers to continuing or incoming directors and senior officers, subject to the Company's Board of Directors' approval;

- transfers to an RRSP or similar trust plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;

- transfers upon bankruptcy to a trustee in bankruptcy; and

- pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow.

The complete text of the Escrow Agreement will be available for inspection at the registered and records office of the Company and on SEDAR at www.sedar.com.

Statutory Hold Periods

In addition to the foregoing, securities legislation imposes certain resale restrictions on securities issued within the four months preceding the Offering, such hold periods are governed by NI 45-102 – *Resale of Securities*. All certificates representing securities subject to these restrictions will bear legends indicating the applicable hold periods.

Securities Subject to Lock-Up Agreement

Pursuant to the Agency Agreement, the Company has agreed to use its best efforts to cause, and it is a condition to closing the Offering that, the directors, senior officers and insiders enter into lock-up agreements with the Agent pursuant to which each such person will covenant and agree that they will not, for a period of 180 days following the Listing Date, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with (or publicly announce any intention to do any of the foregoing) whether through the facilities of a stock exchange, by private placement or otherwise, any securities of the Company held by them, directly or indirectly, without the prior consent of the Agent, such consent not to be unreasonably withheld or delayed, provided that the Agent's consent shall not be required in connection with (a) the exercise of previously issued Options or other convertible securities, (b) transfers among a shareholder's affiliates for tax or other planning purposes, provided that the transferee(s) agree to be bound by the foregoing restrictions, or (c) a tender or sale by a shareholder of securities of the Company in or pursuant to a take-over bid or similar transaction involving a change of control of the Company.

PRINCIPAL SECURITYHOLDERS

The following table sets forth information regarding ownership of the Common Shares subsequent to the Offering and the Concurrent Private Placement (i) each person or company who, to the Company's knowledge, beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attaching to all issued and outstanding Common Shares.

	Prior to the Offering		Following the Closing of the Minimum Offering		Following the Closing of the Maximum Offering	
Name and Municipality of Residence	**Number of Shares Owned Directly or Indirectly**	**Percentage of Shares Held**	**Number of Shares Owned Directly or Indirectly**	**Percentage of Shares Held[1]**	**Number of Shares Owned Directly or Indirectly**	**Percentage of Shares Held[1]**
William Garner San Juan, Puerto Rico USA[2]	18,230,089	43.75%	24,010,089[3]	48.8%	24,010,089[3]	46.5%
R. Geoffrey Sargent San Leandro, California USA[2]	11,196,974	26.87%	11,196,974%	22.8%	11,196,974	21.7%

Notes:

(1) Assumes 49,166,648 Common Shares outstanding following completion of the Minimum Offering and 51,666,648, Common Shares outstanding following completion of the Maximum Offering. Assuming the completion of the Minimum Offering, if the Agent's Option is exercised in full, Dr. Garner and Dr. Sargent would hold 47.7% and 22.26% of the issued and outstanding Common Shares, respectively. Assuming the completion of the Maximum Offering, if the Agent's Option is exercised in full, Dr. Garner and Dr. Sargent would hold 45.2% and 21.06% of the issued and outstanding Common Shares, respectively.

(2) Assuming the completion of the Minimum Offering and assuming the Agent's Option is not exercised and that there are no President's List Sales, on a fully diluted basis Dr. Garner and Dr. Sargent would hold 48.8% and 22.8% of the issued and outstanding Common Shares, respectively. Assuming the completion of the Maximum Offering and assuming the Agent's Option is not exercised and that there are no President's List Sales, on a fully diluted basis Dr. Garner and Dr. Sargent would hold 46.5% and 21.7% of the issued and outstanding Common Shares, respectively.

(3) It is anticipated that Dr. Garner will acquire approximately 5,780,000 Units under the Concurrent Private Placement, in which case Dr. Garner would own, directly or indirectly 24,010,089 Common Shares (48.8%) assuming the Minimum Offering is completed (47.7% assuming the Agent's Option is exercised in full) and 24,010,089 Common Shares 46.5%) assuming the Maximum Offering is fully subscribed (45.2% assuming the Agent's Option is exercised in full).

DIRECTORS AND EXECUTIVE OFFICERS

To the Company's knowledge, as at the date of this Prospectus, following completion of the Offering, its directors and executive officers as a group (excluding the purchase of any Units by any directors and executive officers under the Offering, but including anticipated purchases of Units by directors and executive officers under the Concurrent Private Placement) will beneficially own, or control or direct, directly or indirectly, 40,442,051 Common Shares, representing approximately 82.3% of the outstanding Common Shares on a non-diluted basis (or approximately 80.4% on a non-diluted basis, assuming the Agent's Option is exercised in full) in the case of the Minimum Offering being completed or approximately 78.3% of the outstanding Common Shares on a non-diluted basis (or approximately 76.1% on a non-diluted basis, assuming the Agent's Option is exercised in full) in the case of the Maximum Offering being fully subscribed.

Name, Occupation, and Security Holdings

The following table sets forth the name of each director and executive officer of the Company as at the date of this Prospectus, their province or state and country of residence, their position(s) and office(s) held with

the Company, their principal occupation(s) during the preceding five years, the date they became a director or officer of the Company, and the number and percentage of Common Shares they beneficially own, or control or direct, directly or indirectly as at the date of this Prospectus. Each director's term will expire immediately prior to the first annual meeting of shareholders of the Company.

Name, Residence and Current Position with the Company	**Director/Officer Since**	**Principal Occupation or Employment for the Past Five Years**	**Number and Percentage of Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)**[(2)]
William Garner Co-Founder, Executive Director San Juan, Puerto Rico USA	April 2018	Founder of EGB Ventures since 2002. Co-Founder of GeneTether and director since 2018. Co-Founder and director of Tryp Therapeutics since 2020. Founder of Race Oncology and director between July 2016 and October 2020. Chairman of InMed Pharmaceuticals since July 2016.	18,230,089/ 43.75%
R. Geoffrey Sargent Co-Founder, Chief Scientific Officer San Lorenzo, California, USA	February 2018	Co-Founder of GeneTether, CSO of GeneTether since February 2021 and CEO and President of GeneTether between February 2018 and February 2021. CSO of Onconetics Inc. between August 2017 and March 2018. Principal Investigator/Research Cell Biologist, University of California, San Francisco between June 2010 and August 2017. Instructor, University of California Berkeley Extension since September 2009.	11,196,974/ 26.87%
Roland Boivin[(1)] Director, Chief Executive Officer Montreal, Quebec, Canada	October 2021	CEO of GeneTether since October 2021. CFO of Medexus Pharmaceuticals Inc between December 2013 and July 2021.	Nil
Jean Jen Chief Financial Officer and Corporate Secretary North Vancouver, British Columbia, Canada	October 2021	CFO of GeneTether since October 2021. Executive independent consultant since August 2020. VP and Director of Finance at Anandia Laboratories Inc. between June 2018 to July 2020. Senior Finance Manager at Arbutus Biopharma Corp. between July 2015 to June 2018.	Nil
Daren Graham Chairman Palm Beach Gardens, Florida, USA[(1)]	January 2021	Director of GeneTether since January 2021 and Chairman since April 2021. Chief Operating Officer of EGB Ventures since August 2020. Co-Founder and	2,371,108 / 5.69%

		Chief Operating Officer of Osteon Therapeutics from May 2019 to August 2020. Managing Director of Allele Capital Partners from November 2017 to January 2019. Co-Founder of New Oak Ventures since March 2014.	
Andre Pereira Fraga Figueiredo[(1)] Director Gibraltar	January 2021	Founder and General Manager of Aurea Holdings since January 2021. General Manager of Renovatio Eco-solutions from October 2019 to December 2020. General Manager of Renovatio Group from May 2013 to September 2019.	2,549,961 / 6.12%[(3)]
Gage Jull Director Pefferlaw, Ontario Canada[(1)]	October 2021	Executive Chairman of Arrow Exploration Corp. since March 2020. Chairman of Bordeaux Capital Inc. since November 2015.	148,919/ 0.36%

Notes:

(1) Member of the Audit Committee.

(2) The Company's directors and officers have also been granted Options. See "*Options to Purchase Securities*".

(3) Pursuant to a restricted stock purchase agreement between GeneTether and Mr. Pereira Fraga Figueiredo dated December 22, 2020, Mr. Pereira Fraga Figueiredo has granted the Company a repurchase option (the "**Repurchase Option**") on his 2,371,108 Common Shares (the "**Restricted Shares**"), which entitles the Company to purchase his Restricted Shares at a price of $0.000025 per share in certain circumstances. The Restricted Shares are released from the Repurchase Option on a monthly basis measured until November 22, 2023. As at the date hereof, 1,382,976 Restricted Shares remain subject to the Repurchase Option.

Director and Executive Officer Biographies

The following is a brief description of the background of the Company's key management, directors and promoters.

William Garner, Co-Founder and Executive Director, Age 55

Dr. Garner is the founder of EGB Ventures, where he has focused on advancing technologies and companies to significant value inflection points, leading to monetization of assets via licensing, mergers and acquisitions or initial public offering transactions. Dr. Garner has extensive director-level and executive management experience, including his current service as Co-Founder and Executive Director of Tryp Therapeutics Inc. (CSE:TRYP; OTCQB:TRYPF) and Non-Executive Chairman of InMed (NASDAQ:INM); as well as his previous service as Founder and Chairman at Island Pharmaceuticals (formerly Isla Pharmaceuticals) (ASX:ILA); Non-Executive Chairman & Founder of Race Oncology (ASX:RAC); CEO of Invion Limited; and Co-Founder and Director of Del Mar Pharmaceuticals (NASDAQ:DMPI). Dr. Garner brings additional medical affairs experience from his tenure at Hoffmann LaRoche's oncology division. Prior to Roche, Dr. Garner was a healthcare merchant banker in New York City.

Dr. Garner earned a Master of Public Health from the Harvard T.H. Chan School of Public Health and an MD at New York Medical College. Dr. Garner trained in the Anatomic Pathology residency program at Columbia-Presbyterian and is currently a licensed physician in the State of New York.

It is anticipated that Dr. Garner will assist the Company on an as-needed basis. Dr. Garner has entered into a proprietary information, non-competition and inventions assignment agreement with the Company.

R. Geoffrey Sargent, Co-Founder and Chief Scientific Officer, Age 67

Dr. Sargent has been working in the field of gene editing in mammalian cells since 1987, beginning with his postdoctoral studies at the Imperial Cancer Research Fund (now Cancer Research UK) and Baylor College of Medicine. Dr. Sargent has worked in the Bay Area since 1998, directing academic and biotech company research programs focused on developing high efficiency gene editing technologies for human therapeutics and agricultural applications as well as human pluripotent stem cell applications. He teaches Biochemistry and Stem Cell Biology courses at UC Berkeley Extension and was previously a research scientist at UC San Francisco. Dr. Sargent earned his undergraduate degree in Applied Biology at Georgia Institute of Technology and his PhD in Biochemistry and Biophysics at Oregon State University.

Dr. Sargent intends to dedicate 100% of his time to the affairs of the Company. Dr. Sargent has entered into a proprietary information, non-competition and inventions assignment agreement with the Company.

Roland Boivin, Director and Chief Executive Officer, Age 55

Mr. Boivin brings nearly 25 years of public company leadership experience, with a focus on strategic operations, finance, business development, and general management. Before joining GeneTether as CEO in 2021, he served as CFO at Medexus Pharmaceuticals, Inc. (formerly Pediapharm Inc.), a TSX-listed company focused on innovative rare disease treatment solutions. Among his many accomplishments in that role, Mr. Boivin led the company's 2013 reverse takeover transaction, helped manage its graduation from the TSXV to the TSX, and played an integral role in its transformative acquisition of two speciality pharma companies. Prior to joining Medexus, Mr. Boivin was CFO at TSXV-listed Golden Hope Mines Limited. Previously, he held a variety of progressive positions at 3M Canada, including leading the company's Consumer Division as Business Unit Manager, and was member of its Executive Committee.

Mr. Boivin holds a Bachelor of Commerce in Marketing and Entrepreneurship from McGill University and an Executive MBA from Queen's University.

Mr. Boivin intends to dedicate approximately 100% of his time to the affairs of the Company. Mr. Boivin has entered into a proprietary information, non-competition and inventions assignment agreement with the Company.

Jean Jen, Chief Financial Officer and Corporate Secretary, Age 34

Ms. Jen is a CPA, CA and has over twelve years of finance, accounting experience, working with both private and public companies in the life sciences sector. A highly sought-after consultant for early-stage biotechnology companies, Jean held various senior level positions as an independent financial consultant, and most recently held the role of Vice President of Finance at Anandia Laboratories, for which she was recognized as Accountancy Leader of the Year (Top 5 Nominee) by Women in Finance, Canada (2019). From 2013 to 2018, Jean held increasingly senior positions at Arbutus Biopharma Corp. (formerly Tekmira

Pharmaceuticals Corp.), a Nasdaq-listed clinical-stage biopharma company with an expertise in liposomal drug delivery and RNA interference, where she helped in the Company's growth to $1 billion in market cap. From 2009 to 2013, Ms. Jen worked in KPMG's advisory and audit practices with a focus on publicly-listed companies.

Jean holds a Bachelor of Business Administration degree from Simon Fraser University, as well as Master in Professional Accounting from the University of Saskatchewan**.**

Ms. Jen will devote approximately 40% of her time to the Company or such greater amount of time as is necessary. Ms. Jen has entered into a proprietary information, non-competition and inventions assignment agreement with the Company.

Daren Graham, Chairman, Age 49

Mr. Graham has nearly 20 years of experience in the life science industry as a merchant banker, senior operations executive, and corporate finance attorney. He is currently Chief Operating Officer of EGB Ventures. Previously he was a Co-Founder of Osteon Therapeutics, Managing Director of Allele Capital Partners, Executive Director in Tribal Capital Markets' Equity Capital Life Sciences Division, and Chief Legal Officer and Vice President of Strategic Development at Sancilio Pharmaceuticals Company. Mr. Graham began his career as a corporate finance attorney in the Boston headquarters of Mintz, Levin, Cohn, Ferris, Glovsky, and Popeo PC, representing both private and public life science companies in private and public financings.

After receiving a BBA in Finance from Northeastern State University of Oklahoma, Mr. Graham earned his Juris Doctorate from Boston College Law School. He is a member of the Massachusetts Bar and holds FINRA Series 7, 63 and 79 licenses. Mr. Graham is a citizen of the Cherokee Nation.

It is anticipated that Mr. Graham will assist the Company on an as-needed basis. Mr. Graham has entered into a proprietary information, non-competition and inventions assignment agreement with the Company.

Andre Pereira Fraga Figueiredo, Director, Age 45

Andre Pereira Fraga Figueiredo is the founding partner of Aurea Holdings and has over 20 years of experience in M&A, Strategy and Business Development, first in the Petrochemical sector and later in the Renewable Energy sectors, operating in Europe, South America and Asia. In addition, he is an active investor in life science companies, participating in early-stages fund raising, as well as venture formation. Prior to founding Aurea Holdings, he was General Manager of Renovatio Group and Renovatio Eco-Solutions. He serves as a director of OnOn Holdings.

Mr. Fraga obtained his undergraduate in Business Studies from Universidade Católica Portuguesa, holds an International MBA from Instituto de Empresa (IE) and has undertaken an Executive Education Program at Harvard Business School.

It is anticipated that Mr. Fraga will assist the Company on an as-needed basis. Mr. Fraga has entered into a proprietary information, non-competition and inventions assignment agreement with the Company.

Gage Jull, Director, Age 63

Mr. Jull is a co-founder and Chairman of Bordeaux Capital Inc., a Toronto-based mergers & acquisitions advisory firm focused on emerging companies in the natural resources and other sectors. Mr. Jull also holds the position of Executive Chairman for Arrow Exploration. He also acted as a Director and Chairman of the Special Committee for Aldridge Minerals Inc. Prior to Bordeaux Capital, Mr. Jull was a Managing Director, Corporate Finance at Mackie Research Capital Corp., an investment banking, and securities brokerage firm. Mr. Jull has experience working on numerous cross border equity and debt offerings involving energy assets around the world, with capital sourced in Canada, the U.S. and the U.K. At Prudential Bache Mr. Jull was the lead banker on the $40 million cross border Initial Public Offering of Quadra Logic Technologies a Vancouver based pharmaceutical company. He has completed over 200 financings and M&A transactions in the course of his career.

Mr. Jull holds a BSc degree from the University of Toronto, an MBA from the University of Western Ontario, and PEng and CFA designations.

It is anticipated that Mr. Jull will assist the Company on an as-needed basis. Mr. Jull has entered into proprietary information, non-competition and inventions assignment agreement with the Company.

Scientific Advisory Board

In October 2021, Kuldeep Neote joined GeneTether as the inaugural member and Chairperson of our Scientific Advisory Board (SAB). In addition to his duties as our SAB Chairperson, which includes recruiting additional SAB members, Dr. Neote has agreed to perform consulting services with respect to our innovation and strategy activities. Dr. Neote earned his PhD in Molecular Genetics at the University of Toronto. He has over 25 years in the life science industry, including as a researcher at Genentech, Pfizer, and Eli Lilly and Company, and as a business development executive at Johnson & Johnson and Eli Lilly and Company. He is currently an Entrepreneur-in-Residence at FACIT/OICR in Toronto and at The National Institutes of Health in Maryland.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the Company's directors or executive officers is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period or more than 30 consecutive days (an "**Order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such issuer, or (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with

creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date hereof, 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 such director, executive officer or shareholder.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of the Company's knowledge, there are no existing or potential material conflicts of interest between the Company and any of its directors or officers as of the date hereof. However, certain of the Company's directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on the Company's behalf.

Pursuant to the BCBCA, directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

See also "*Risk Factors – Risks Related to the Company – The directors and officers may have conflicts of interest with the Company*".

Term of Office of Directors

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Board.

Indemnification and Insurance

The Company intends to obtain a director and officer insurance program to limit the Company's exposure to claims against, and to protect, its directors and officers.

EXECUTIVE COMPENSATION

Prior to obtaining a receipt for this Prospectus from securities regulatory authorities in the Selling Provinces, neither the Company nor GeneTether were reporting issuers in any jurisdiction. As a result, certain

information required by Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* ("**Form 51-102F6V**") has been omitted pursuant to Section 1.3(8) of Form 51- 102F6V.

Securities legislation requires the disclosure of the compensation received by each Named Executive Officer of the Company. "Named Executive Officer" is defined by securities legislation to mean: (i) the CEO; (ii) the CFO; (iii) the most highly compensated executive officer of the Company, including any of its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than $150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in similar capacity, at the end of the most recently completed financial year.

The Company has not paid any consideration to its Named Executive Officers (the "**Named Executive Officers**" or "**NEOs**") or directors since incorporation on October 13, 2021. On November 30, 2021, the Company completed the Reorganization resulting in the business of GeneTether becoming the business of the Company, as a result the historical executive compensation disclosure contained in this Prospectus describes compensation paid to the NEOs and directors of GeneTether.

As at December 31, 2021, the Company's NEOs consist of Roland Boivin, Chief Executive Officer, R. Geoffrey Sargent, Chief Scientific Officer, and Jean Jen, Chief Financial Officer and Corporate Secretary.

Compensation Governance

Philosophy

In determining the compensation to be paid or awarded to its executives, the Board of Directors seeks to encourage the advancement of the Company's projects, with a view to enhancing shareholder value. To achieve these objectives, the Company believes it is critical to create and maintain a compensation program that attracts and retains committed, highly qualified personnel by providing appropriate rewards and incentives that align the interest of its executives with those of its shareholders. In addition, as the Company currently has no revenues from operations and operates with limited financial resources, the Board of Directors needs to consider not only the Company's financial situation at the time of determining executive compensation but also the Company's estimated financial situation in the mid and long term.

The Company's executive compensation program consists of a combination of base salary and long-term incentives in the form of participation in the Legacy Plan and the Plan. In making its determinations regarding the various elements of executive incentive stock option grants, the Company will seek to meet the following objectives:

a) to attract, retain and motivate talented executives who create and sustain the Company's continued success within the context of compensation paid by other companies of comparable size engaged in similar business in appropriate regions;

b) to align the interests of the NEOs with the interests of the Company's shareholders; and

c) to incent extraordinary performance from our key personnel. The Company is an early-stage pharmaceutical company and may not generate revenues from operations for a significant period of time.

As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Company to be appropriate in the evaluation of the performance of its executive officers.

Base Salary

The base salary for each executive is established by the Board based upon the position held by such executive, competitive market conditions, such executive's related responsibilities, experience and the NEO's skill base, the functions performed by such executive and the salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels for executives.

Cash Bonuses

Cash bonuses do not form a normal part of the Company's executive compensation. However, the Company may elect to utilize such incentives where the role-related context and competitive environment suggest that such a compensation modality is appropriate. When and if utilized, the amount of cash bonus compensation will normally be paid on the basis of timely achievement of specific pre-agreed milestones. Each milestone will be selected based upon consideration of its impact on shareholder value creation and the ability of the Company to achieve the milestone during a specific interval. The amount of bonus compensation will be determined based upon achievement of the milestone, its importance to the Company's near and long term goals at the time such bonus is being considered, the bonus compensation awarded to similarly situated executives in similarly situated early stage pharmaceutical companies or any other factors the Board of Directors may consider appropriate at the time such performance-based bonuses are decided upon. The quantity of bonus will normally be a percentage of base salary not to exceed 100%. However, in exceptional circumstances, the quantity of bonus paid may be connected to the shareholder value creation embodied in the pre-agreed milestones.

Options

Incentive stock options are a key compensation element for the Company. Because many of the most capable individuals in the pharmaceutical industry work for companies who can offer attractive cash and bonus compensation and a high level of employment security, options represent a compensation element that balances the loss of employment security that such individuals must accept when moving to an early-stage pharmaceutical company such as the Company. Options are also an important component of aligning the objectives of the Company's executive officers and consultants with those of its shareholders, while encouraging them to remain associated with the Company. The Company expects to provide significant option positions to its executive officers and consultants. The precise amount of options to be offered will be governed by the importance of the role within the Company, by the competitive environment within which the Company operates, and by the regulatory limits on option grants that cover organizations such as the Company. When considering an award of options to an executive officer, consideration of the number of options previously granted to the executive may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions will generally not be a factor.

See "Options *to Purchase Securities - Stock Option Plan*" for a summary of the key terms of the Plan and the Legacy Plan.

Compensation Risks

In making its compensation-related decisions, the Board carefully considers the risks implicitly or explicitly connected to such decisions. These risks include the risks associated with employing executives who are not world class in their capabilities and experience, the risk of losing capable but under-compensated executives, and the financial risks connected to the Company's operations, of which executive compensation is an important part.

In adopting the compensation philosophy described above, the principal risks identified by the Company are:

a) that the Company will be forced to raise additional funding (causing dilution to shareholders) in order to attract and retain the caliber of executive employees that it seeks; and

b) that the Company will have insufficient funding to achieve its objectives.

Exercise of Compensation Securities by Directors and NEOs

No NEO or Director of GeneTether has exercised a compensation security during the most recently completed fiscal year ended December 31, 2021.

External Management Companies

Other than as disclosed herein, neither the Company nor GeneTether has entered into any agreement with any external management company that employs or retains one or more of the NEOs or Directors and, other than as disclosed below, the Company has not entered into any understanding, arrangement or agreement with any external management company to provide executive management services to the Company, directly or indirectly, in respect of which any compensation was paid by the Company.

On October 1, 2021, GeneTether entered into a Consulting Services Agreement with Mr. Roland Boivin pursuant to which GeneTether engaged Mr. Boivin on an "at will" basis as an independent contractor to perform the services of Chief Executive Officer. Pursuant to the agreement (as amended on January 24, 2022), Mr. Boivin is entitled to receive an initial annual base fee of C$125,000 (the "**Base Fee**"). In accordance with the terms of Mr. Boivin's agreement, the Base Fee shall be increased by the amount that is equal to 1.0% of the aggregate gross proceeds received by the GeneTether from any Capital Raise (as defined below) completed during the term of his engagement with the GeneTether, up to a maximum aggregate increase of C$437,500. For purposes of Mr. Boivin's Consulting Services Agreement, a "Capital Raise" shall include, but is not be limited to, any: (i) private sale of the capital stock of the GeneTether or any affiliate thereof (the "**GeneTether Stock**"), (ii) the initial public offering of GeneTether Stock, including any over-allotment option granted in connection therewith, (iii) any follow-on offering of the GeneTether Stock, including any over-allotment option granted in connection therewith (iv) the exercise of warrants to purchase Company Stock; or (v) any co-development, licensing or similar agreements.

On October 19, Mr. Boivin was issued an aggregate of 78,000 stock options with an exercise price of $5.45221 per share (on pre-Reorganization basis), vesting in equal monthly amounts over a thirty-six month period and expiry ten years from the date of grant. He will also be eligible for annual bonuses as determined by the Board. Pursuant to the agreement, Mr. Boivin will be entitled to two months' severance pay if he is terminated without "cause". No severance shall be paid if Mr. Boivin is terminated for "cause". The term

"cause" is defined in the agreement as malfeasance, material non-performance or materially inadequate performance following written notice or other communication from the Board of such cause and a reasonable period of time to cure it one time. In the event of either: (i) the termination of Mr. Boivin without cause within twelve (12) months following a Change of Control (as defined in the Legacy Plan), or (ii) the sale of all or substantially all of the assets of the Company, any unvested Options shall automatically vest immediately prior to such termination or the completion of such sale, as applicable.

On October 1, 2021, GeneTether entered into a consulting agreement with Ms. Jean Jen pursuant to which GeneTether engaged Ms. Jen on an "at will" basis as an independent contractor to perform the services of Chief Financial Officer. Pursuant to the consulting agreement, Ms. Jen will be entitled to receive an initial monthly retainer of C$10,000, representing the provision of two days per week of services. On October 19, Ms. Jen was issued an aggregate of 12,000 stock options with an exercise price of US$5.45221 per share (on a pre-Reorganization basis), vesting in equal monthly amounts over a thirty-six month period and expiry ten years from the date of grant.

On October 20, 2021, GeneTether entered into a Consulting Services Agreement with Dr. R. Geoffrey Sargent pursuant to which GeneTether engaged Dr. Sargent on an "at will" basis as an independent contractor to perform the services of Chief Scientific Officer. Pursuant to the agreement, following the close of the Offering, Dr. Sargent will be entitled to receive an annual base fee of $72,000. On October 19, 2021, Dr. Sargent was issued an aggregate of 20,000 stock options (of which 12,000 options were subsequently cancelled effective December 1, 2021) with an exercise price of $5.45221 per share (on pre-Reorganization basis), vesting in equal monthly amounts over a thirty-six month period and expiry ten years from the date of grant. Dr. Sargent will also be eligible for annual bonuses as determined by the Board. Pursuant to the agreement, Dr. Sargent will be entitled to two months' severance pay if he is terminated without "cause". No severance shall be paid if Mr. Sargent is terminated for "cause". The term "cause" is defined in the agreement as malfeasance, material non-performance or materially inadequate performance following written notice or other communication from the Board of such cause and a reasonable period of time to cure it one time. In the event of either: (i) the termination of Mr. Sargent without cause within twelve (12) months following a Change of Control (as defined in the Legacy Plan), or (ii) the sale of all or substantially all of the assets of the Company, any unvested Options shall automatically vest immediately prior to such termination or the completion of such sale, as applicable.

Following the completion of the Offering, the Company will pay (i) an annual cash retainer to each of its non-management Directors equal to C$35,000, other than the Chair of the Board, to whom the Company will pay an annual cash retainer equal to C$50,000, and the Executive Director, to whom Company will pay an annual cash retainer equal to C$55,000, (ii) an additional cash retainer of C$10,000 to the Chair of the Audit Committee, and (iii) an additional cash retainer of C$5,000 to other non-management members of the Audit Committee.

On October 19, 2021, GeneTether issued the following options at an exercise price of US$5.45221 per share (on pre-Reorganization basis): (i) 30,000 options (of which 18,000 options were subsequently cancelled effective December 1, 2021) to each of the non-management Directors, (ii) an additional 20,000 options (of which 12,000 options were subsequently cancelled effective December 1, 2021) to each of the Chair of the Board and the Executive Director, (ii) an additional 10,000 options (of which 6,000 options were subsequently cancelled effective December 1, 2021) to the Chair of the Audit Committee, and (iii) an additional 5,000 options (of which 3,000 options were subsequently cancelled effective December 1, 2021) to other non-management members of the Audit Committee. The options will expire ten years from the date of grant and will vest (i) over a twelve month period for the Chair of the Board and the Executive

Director and (ii) over a thirty-six month period for all other Directors.

Employment, Consulting and Management Agreements

Other than as described above, during the fiscal period ended December 31, 2020, GeneTether did not have any written contract, agreement, plan or arrangement that provided for payment to a Named Executive Officer at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a director or Named Executive Officer's responsibilities.

Pension Plan Benefits

The Company does not anticipate having any deferred compensation plan or pension plan that provide for payments or benefits at, following or in connection with retirement.

Directors' and Officers' Liability Insurance and Indemnification

The Articles provide that the Company may indemnify each director and officer against all costs, charges and expenses reasonably incurred by him or her in respect of any action or proceeding to which he or she is made a party by reason of being a director or officer of the Company, subject to the limitations contained in the Articles.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers or employees of the Company or former directors, executive officers or employees of the Company had any indebtedness outstanding to the Company as at the date hereof and no indebtedness of these individuals to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company as at the date hereof. Additionally, no individual who is, or at any time during the Company's last financial year was, a director or executive officer of the Company, proposed management nominee for director of the Company or associate of any such director, executive officer or proposed nominee is as at the date hereof, or at any time since the beginning of the Company's last financial year has been, indebted to the Company or to another entity where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, including indebtedness for security purchase or any other programs.

AUDIT COMMITTEE

The Company has formed an Audit Committee comprised of Gage Jull (Chair), Andre Pereira Fraga Figueiredo, and Roland Boivin, all of whom are "financially literate" as defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Mr. Jull and Mr. Pereira Fraga Figueiredo are considered "independent" and Mr. Boivin, as Chief Executive Officer of the Company, is not considered "independent", pursuant to NI 52-110.

The Audit Committee provides assistance to the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Company. The external auditors of the Company report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities include: (i) reviewing and reporting to the Board on the annual audited financial statements (including the auditor's

report thereon) and unaudited interim financial statements and any related management's discussion and analysis, if any, and other financial disclosure related thereto that may be required to be reviewed by the Audit Committee pursuant to applicable legal and regulatory requirements; (ii) reviewing material changes in accounting policies and significant changes in accounting practices and their impact on the financial statements; (iii) overseeing the audit function, including engaging in required discussions with the Company's external auditor and reviewing a summary of the annual audit plan at least annually, overseeing the independence of the Company's external auditor, overseeing the Company's internal auditor, and pre-approving any non-audit services to the Company; (iv) reviewing and discussing with management the appointment of key financial executives and recommending qualified candidates to the Board; (v) reviewing with management and the Company's external auditors, at least annually, the integrity of the internal controls over financial reporting and disclosure; (vi) reviewing management reports related to legal or compliance matters that may have a material impact on the Company and the effectiveness of the Company's compliance policies; and (vii) establishing whistleblowing procedures and investigating any complaints or concerns it deems necessary.

The full text of the Audit Committee Charter is attached to this Prospectus as Schedule "F".

Relevant Education and Experience

Each proposed member of the Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- 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;

- 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

- an understanding of internal controls and procedures for financial reporting.

Gage Jull

Mr. Jull is a co-founder and Chairman of Bordeaux Capital Inc., a Toronto-based mergers & acquisitions advisory firm focused on emerging companies in the natural resources and other sectors. Mr. Jull also holds the position of Executive Chairman for Arrow Exploration. He also acted as a Director and Chairman of the Special Committee for Aldridge Minerals Inc. Prior to Bordeaux Capital, Mr. Jull was a Managing Director, Corporate Finance at Mackie Research Capital Corp., an investment banking, and securities brokerage firm. Mr. Jull has experience working on numerous cross border equity and debt offerings involving energy assets around the world, with capital sourced in Canada, the U.S. and the U.K. At Prudential Bache Mr. Jull was the lead banker on the $40 million cross border Initial Public Offering of Quadra Logic Technologies a Vancouver based pharmaceutical company. He has completed over 200 financings and M&A transactions in the course of his career.

Mr. Jull holds a BSc degree from the University of Toronto, an MBA from the University of Western Ontario, and PEng and CFA designations.

Mr. Jull has an understanding of financial reporting requirements respecting financial statements sufficient enough to enable him to discharge his duties as an Audit Committee member.

Andre Pereira Fraga Figueiredo

Andre Pereira Fraga Figueiredo is the founding partner of Aurea Holdings and has over 20 years of experience in M&A, Strategy and Business Development, first in the Petrochemical sector and later in the Renewable Energy sectors, operating in Europe, South America and Asia. In addition, he is an active investor in life science companies, participating in early-stages fund raising, as well as venture formation. Prior to founding Aurea Holdings, he was General Manager of Renovatio Group and Renovatio Eco-Solutions. He serves as a director of OnOn Holdings.

Mr. Fraga obtained his undergraduate in Business Studies from Universidade Católica Portuguesa, holds an International MBA from Instituto de Empresa (IE) and has undertaken an Executive Education Program at Harvard Business School.

Mr. Pereira Fraga Figueiredo has an understanding of financial reporting requirements respecting financial statements sufficient enough to enable him to discharge his duties as an Audit Committee member.

Roland Boivin

Mr. Boivin brings nearly 25 years of public company leadership experience, with a focus on strategic operations, finance, business development, and general management. Before joining GeneTether as CEO in 2021, he served as CFO at Medexus Pharmaceuticals, Inc. (formerly Pediapharm Inc.), a TSX-listed company focused on innovative rare disease treatment solutions. Among his accomplishments in that role, Mr. Boivin led the company's 2013 reverse takeover transaction, helped manage its graduation from the TSXV to the TSX, and played an integral role in its transformative acquisition of two specialty pharmaceutical companies. Prior to joining Medexus, Mr. Boivin was CFO at TSXV-listed Golden Hope Mines Limited. Previously, he held a variety of progressive positions at 3M Canada, including running the company's Consumer Division as Business Unit Manager, and was member of its Executive Committee.

Mr. Boivin holds a Bachelor of Commerce in Marketing and Entrepreneurship from McGill University and an Executive MBA from Queen's University.

Mr. Boivin has an understanding of financial reporting requirements respecting financial statements sufficient enough to enable him to discharge his duties as an Audit Committee member.

Pre-Approval Policies and Procedures

The Audit Committee mandate requires that the Audit Committee pre-approve any retainer of the auditor of the Company to perform any non-audit services to the Company that it deems advisable in accordance with applicable legal and regulatory requirements and policies and procedures of the Board. The Audit Committee is permitted to delegate pre-approval authority to one of its members; however, the decision of any member of the Audit Committee to whom such authority has been delegated must be presented to the full Audit Committee at its next scheduled meeting.

Reliance on Certain Exemptions

At no time since incorporation has the Company relied on the following exemptions:

a) the exemption in section 2.4 of National Instrument 52-110 (*De Minimis Non-Audit Services*);

b) the exemption in subsection 6.1.1(4) of National Instrument 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);

c) the exemption in subsection 6.1.1(5) of National Instrument 52-110 (*Events Outside Control of Member*);

d) the exemption in subsection 6.1.1(6) of National Instrument 52-110 (*Death, Incapacity or Resignation*); or

e) an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110 (*Exemption*).

External Auditor Service Fees by Category

The fees billed by GeneTether's external auditors for audit and non-audit related services provided to the Company for financial years ended December 31, 2020 and 2019 are as follows:

Year	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2020	$9,750	Nil	$3,000	Nil
2019	$9,750	Nil	$	Nil

As at the date hereof, no fees have been billed by the Company's external auditors for the financial year ended December 31, 2021.

Exemptions

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, pursuant to which the Company is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of *management* who are appointed by the Board of Directors and who are charged with day-to-day management of the Company. National Instrument 58-201- *Corporate Governance Guidelines* establishes corporate governance guidelines to be used by issuers in developing their own corporate governance

practices. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

In accordance with National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") the Company's corporate governance practices are summarized below. The Board of Directors will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

The Company's Board of Directors is currently composed of five directors – William Garner, Daren Graham, Andre Pereira Fraga Figueiredo, Gage Jull, and Roland Boivin. The Board facilitates its exercise of independent supervision over management by ensuring sufficient representation by directors independent of management.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NI 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary. Each of Andre Pereira Fraga Figueiredo and Gage Jull can be considered to be "independent" within the meaning of NI 58-101. Roland Boivin, by reason of being Chief Executive Officer of the Company, William Garner, by reason of his being a significant shareholder of the Company, and Daren Graham, by reason of having been a consultant to the Company, cannot be considered to be "independent" within the meaning of NI 58-101.

The independent directors will meet separately from the non-independent directors, as determined necessary from time to time, in order to facilitate open and candid discussion among the independent directors. No separate meetings of the independent directors have been held to date. Daren Graham acts as the chairman with respect to the conduct of Board meetings. Given the Company's relatively small size and start-up nature, the Board is satisfied as to the extent of independence of its members. The Board is satisfied that it is not constrained in its access to information, in its deliberations, or in its ability to satisfy the mandate established by law to supervise the business and affairs of the Company, and that there are sufficient systems and procedures in place to allow the Board to have a reasonable degree of independence from day-to-day management.

Since the Company's incorporation on October 13, 2021 until the date of this Prospectus, the Board has held formal Board meetings and the directors have also approved various matters by consent resolutions.

Directorships

The following directors are also currently directors of the following reporting issuers:

Name of Director	Name of Reporting Issuer	Exchange
William Garner	InMed Pharmaceuticals Inc.	NASDAQ
Gage Jull	Arrow Exploration Corp.	TSXV; AIM
	Tryp Therapeutics Inc.	CSE; OTCQB

Orientation and Continuing Education

The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is integral to the success of the Company and to meeting responsibilities to shareholders. Generally, the Board of Directors has found 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 of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company. However, to supplement the foregoing, the Company has also adopted a written Code of Business Conduct (the "**Code**"), which emphasizes the importance of matters relating to honest and ethical conduct, conflicts of interest, confidentiality of corporate information, protection and proper use of corporate assets and opportunities, compliance with applicable laws, rules and regulations and the reporting of any illegal or unethical behaviour.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the Directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as applicable under, the BCBCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Company. The Board of Directors considers itself too small to warrant creation of such a committee; and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic

direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

Compensation

The Board of Directors reviews the compensation of its directors and executive officers annually. The Directors will determine compensation of directors and executive officers taking into account the Company's business ventures and the Company's financial position. See "*Executive Compensation*".

Other Board Committees

The Company has established an Audit Committee. There are no other committees of the Board of Directors at this time.

Director Assessment

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time.

The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis. The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

PLAN OF DISTRIBUTION

Agency Agreement

Pursuant to the Agency Agreement dated March 21, 2022, between the Company and the Agent, the Company has appointed the Agent to act as its exclusive agent to offer for sale, on a commercially reasonable efforts basis, a minimum of 7,500,000 Units for minimum gross proceeds of C$4,500,000 and up to a maximum of 10,000,000 Units for maximum gross proceeds of up to C$6,000,000, subject to the terms and conditions of the Agency Agreement. The price of the Common Shares was determined by negotiation between the Company and the Agent.

The completion of the Offering is subject to a minimum subscription of 7,500,000 Units for aggregate gross proceeds of $4,500,000 (inclusive of subscriptions under the Concurrent Private Placement). If subscriptions representing the Minimum Offering are not received within 90 days of the issuance of the final receipt for this Prospectus or, if a receipt is issued for an amendment to this Prospectus, within 90 days of the issuance of such receipt and, in any event, not later and 180 days from the date the receipt for the Prospectus, all subscription monies will be returned to the subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

The obligations of the Agent under the Agency Agreement may be terminated by the Agent at its discretion on the basis of its assessment of the state of the financial markets and may also be terminated in certain stated circumstances and upon the occurrence of certain stated events, including industry standard "market out", "material adverse change", disaster out", "breach of agreement out", and "regulatory proceedings out" provisions.

The Company has agreed to grant to the Agent the Agent's Option to increase the size of the Offering by up to 1,500,000 Agents' Option Units (assuming the Maximum Offering is fully subscribed) at the Offering Price for a period of 30 days from the Closing Date, to cover the Agent's over-allotment position, if any, and for market stabilization purposes. Pursuant to policy statements of certain securities regulators, the Agent may not, throughout the period of distribution, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions including: (a) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities, or (c) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. Consistent with these requirements, and in connection with this distribution, the Agent may over-allot or effect transactions that stabilize or maintain the market price of Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Agent at any time. The Agent may carry out these transactions on the CSE, in the over-the-counter market or otherwise.

Assuming the Maximum Offering is fully subscribed, the Agent's Option may be exercised to acquire (i) up to 1,500,000 additional Agent's Option Units at the Offering Price, (ii) up to 1,500,000 Agent's Option Shares at a price of C$0.507 per Agent's Option Share, (iii) up to 1,500,000 Agent's Option Warrants at a price of C$0.093 per Agent's Option Warrant, or (iv) any combination of Agent's Option Units, Agent's Option Shares and Agent's Option Warrants, provided that the aggregate number of Agent's Option Shares which may be issued under the Agent's Option does not exceed 1,500,000 and the aggregate number of Agent's Option Warrants which may be issued under the Agent's Option does not exceed 1,500,000. The Agent's Option Warrants will have the same terms as the Warrants. This Prospectus qualifies the distribution of the Agents' Option and the Agents' Option Units. A purchaser who acquires Units forming part of the Agent's over-allocation position acquires those Units under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Agent's Option or secondary market purchases.

In consideration for the services provided by the Agent in connection with the Offering, and pursuant to the terms of the Agency Agreement, the Company will pay the Agent the Commission, equal to the sum of (i) 8.0% of the gross proceeds of the Offering (including any gross proceeds raised on exercise of the Agent's Option), other than the gross proceeds raised from President's List Sales and (ii) 4.0% of the gross proceeds raised from President's List Sales, payable in cash from the proceeds of the Offering. The Agent will also receive, as additional compensation, Compensation Warrants to purchase that number of Units that is equal to 8.0% of the Units sold pursuant to the Offering (including any Agent's Option Units sold pursuant to the exercise of the Agent's Option), but excluding the Units sold pursuant to President's List Sales. In connection with the President's List Sales, the Agent will receive Compensation Warrants to purchase that number of Units that is equal to 4.0% of the Units sold pursuant to the President's List Sales. Each Compensation Warrant is exercisable to purchase one Compensation Unit at the Offering Price for a period of 36 months from the Closing Date.

The Company has also agreed to pay the Agent a Management Fee equal to 1.0% of the gross proceeds of the Offering (including any Agent's Option Units sold pursuant to the exercise of the Agent's Option) and the Concurrent Private Placement. The Management Fee is payable in cash from the proceeds of the Offering.

In connection with the Concurrent Private Placement, the Company has agreed to pay the Agent a Corporate Finance Fee equal up to $167,000, subject to adjustment. In addition, the Agent will receive up to 279,000 Corporate Finance Fee Compensation Warrants, subject to adjustment, to purchase that number of Corporate Finance Fee Compensation Warrant Units at the Offering Price for a period of 36 months from the Closing.

The Agent's Compensation Warrants are qualified by this Prospectus.

The Company has also agreed to pay the Agent's reasonable expenses, including legal fees and disbursements, in connection with the Offering. See: "*Use of Proceeds*".

The Company will also indemnify the Agent, its affiliates and their respective partners, directors, officers and employees (the "**Indemnified Parties**") against certain claims with which the Indemnified Parties may become involved in any capacity in so far as the claims relate to performance of the professional services of the Agent pursuant to the Agency Agreement.

The Company intends to complete the Concurrent Private Placement of up to approximately 7,500,000 Private Placement Units at the Offering Price for gross proceeds of up to approximately C$4,500,000. This Prospectus does not qualify the distribution of the Private Placement Units. The Unit Shares and Unit Warrants underlying the Private Placement Units will be subject to a statutory four-month hold period from the closing of the Concurrent Private Placement. The closing of the Concurrent Private Placement is subject to CSE approval. Gross proceeds raised by the Company under the Concurrent Private Placement, will be aggregated with proceeds raised under the Offering in determining whether the Minimum Offering has been achieved.

No securities offered under this Prospectus have been or will be registered under the U.S. Securities Act, or any state securities laws, and accordingly may not be offered, sold or delivered within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Pursuant to the Agency Agreement, the Company has agreed to use its best efforts to cause, and it is a condition to the closing of the Offering that, the directors, senior officers and insiders to enter into lock-up agreements with the Agent pursuant to which each such person will covenant and agree that they will not, for a period of 180 days following the Listing Date, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with (or publicly announce any intention to do any of the foregoing) whether through the facilities of a stock exchange, by private placement or otherwise, any securities of the Company held by them, directly or indirectly, without the prior consent of the Agent, such consent not to be unreasonably withheld or delayed, provided that the Agent's consent shall not be required in connection with (a) the exercise of previously issued Options or other convertible securities, (b) transfers among a shareholder's affiliates for tax or other planning purposes, provided that the transferee(s) agree to be bound by the foregoing restrictions, or (c) a tender or sale by a shareholder of securities of the Company in or pursuant to a take-over bid or similar transaction involving a change of control of the Company.

Provided that the Offering is completed, the Company has granted the Agent a right of first refusal with respect to any equity or equity-linked debt financing undertaken by the Company, or any formal valuations,

fairness opinions, or financial advisory assistance required by the Company in the 6-month period after the Listing Date.

The Agent, or registered sub-agents who assist the Agent in the distribution of the Units offered hereunder, conditionally offer the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement and subject to the approval of certain legal matters, on behalf of the Company by Pushor Mitchell LLP and Ryan Shewchuk Professional Corporation, and on behalf of the Agents by Fasken Martineau DuMoulin LLP. Subscriptions for Units will be payable to the Company against delivery of the Units. Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Closing of the Offering is expected to occur on or about March 29, 2022 or such other date as is mutually agreed by the Company and the Agent and provided such date is no later than the date that is 90 days from the issuance of a receipt for the final Prospectus.

Except in certain limited circumstances: (i) the Units will be registered and represented electronically through the NCI system of CDS in "book-entry only" form; (ii) no certificates evidencing the Units will be issued to purchasers of Units unless specifically requested; and (iii) purchasers of Units will receive only a customer confirmation from the Agent or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Units is purchased. Such request will need to be made through a CDS participant through whom the beneficial interest in the securities are held at the time of request.

Prior to the Offering, there has been no public market for the Common Shares. The sale of a substantial number of the Common Shares in the public market after the Offering, or the perception that such sales may occur, could adversely affect the prevailing market price of the Common Shares.

The CSE has conditionally accepted the listing of the Common Shares. Listing will be subject to the Company fulfilling all of the requirements of the CSE, including meeting all minimum listing requirements. The Company has not applied and does not intend to list the Unit Warrants.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America.

There is no market through which the Common Shares may be sold, and purchasers may not be able to resell the Unit Shares (or the Warrant Shares acquired upon due exercise of the Unit Warrants) purchased under this Prospectus. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares, and the extent of issuer regulation. See "*Risk Factors*".

RISK FACTORS

Investing in our securities involves a high degree of risk. Before you invest in our Common Shares, you should carefully consider the following risks, as well as general economic and business risks, and all of the other information contained in this prospectus. Many of the following risks and uncertainties are, and will be, exacerbated by the coronavirus disease 2019, or COVID-19, pandemic and any worsening of the global business and economic environment as a result. The occurrence of any of the events or developments described below could materially and adversely affect our business, financial condition, results of operations

and prospects. In such an event, the market price of the Common Shares could decline and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations.

Risks Related to the Offering and this Prospectus

Forward-looking statements may prove to be inaccurate.

The forward-looking information and statements included in this Prospectus relating to, among other things, our future results, performance, achievements, prospects, targets, plans, objectives, goals, milestones, intentions or opportunities or the markets in which we operate is based on opinions, assumptions and estimates made by management in light of experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Our actual results in the future may vary significantly from estimated or expected results and those variations may be material. We make no representation that our actual results in the future will be the same, in whole or in part, as those included in this Prospectus.

Our management retains discretion in the use of proceeds from this Offering and the Concurrent Private Placement.

Our management will have broad discretion concerning the use of the proceeds of the Offering and the Concurrent Private Placement as well as the timing of their expenditures. As a result, an investor will be relying on the judgment of management for the application of the proceeds of the Offering and the Concurrent Private Placement. Management may use the net proceeds of the Offering and the Concurrent Private Placement in ways that an investor may not consider desirable. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Company's results of operations may suffer.

The market price of our Common Shares is expected to be volatile.

The trading price of our Common Shares is likely to be volatile. Our stock price could be subject to wide fluctuations in response to a variety of factors, including the following:

- our ability to conduct and achieve positive outcomes from our preclinical studies and clinical trials;
- contracting with third parties such as academic institutions and various Contract Research Organizations (CROs) who will perform such studies, or the potential lack of performance of such organizations;
- acceptance of INDs by the FDA or similar regulatory filing by comparable foreign regulatory authorities for the conduct of clinical trials of our product candidates and our proposed design of future clinical trials;
- the inherently uncertain outcome of clinical trials;
- delays in publications of research findings;
- significant lawsuits, including patent or shareholder litigation;

- inability to obtain additional funding or funding on favorable terms;
- failure to successfully develop and commercialize our product candidates;
- failure of patent applications to issue;
- failure of patent applications to issue with a reasonable scope;
- changes in laws or regulations applicable to our product candidates;
- inability to obtain adequate supply of the components of our product candidates, or the inability to do so at acceptable prices or in an acceptable timeframe;
- unanticipated serious safety concerns related to any of our product candidates;
- adverse regulatory decisions;
- introduction of new products or technologies by our competitors;
- adverse events or results for our competitors or our product candidate target areas that could generally adversely affect us our or our industry;
- failure to meet or exceed product development or financial projections we provide to the public;
- failure to meet or exceed the estimates, expectations and projections of the investment community and our shareholders;
- the perception of the pharmaceutical industry by the public, legislatures, regulators and the investment community;
- announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by us or our competitors;
- disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our products;
- additions or departures of key scientific or management personnel;
- changes in the market valuations of similar companies;
- general economic and market conditions and overall fluctuations in the Canadian and U.S. equity markets;
- sales of our Common Shares by us or our shareholders in the future;
- trading volume of our Common Share;
- period-to-period fluctuations in our financial results;
- any real or perceived weakness in our internal control over financial reporting, which, while we believe we have taken appropriate steps to minimize any such material weakness, there can be no assurance that the steps we are taking will be sufficient to eliminate any real or perceived weakness or prevent future weaknesses or significant deficiencies from occurring;
- changes in the structure of healthcare payments;
- changes in the listing status of our Common Shares on the applicable stock exchange; and
- recommendations of equity analysts covering our Common Shares.

In addition, the stock market, and equity values of early stage pharmaceutical companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of our Common Shares, regardless of our actual operating performance. Further, a decline in the financial markets and related factors beyond our control may cause our share price to decline rapidly and unexpectedly.

In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and diversion of management attention and resources, which could significantly harm our profitability and reputation.

Our executive officers, directors and certain significant shareholders will continue to own a substantial number of our Common Shares and, as a result, may be able to exercise control over us, including the outcome of shareholder votes.

Upon the completion of the Minimum Offering, our executive officers, directors, 10% holders and their affiliates will represent beneficial ownership, in the aggregate, of approximately 82.3% of our total outstanding Common Shares, exclusive of any Common Shares that may be purchased by members of this group as part of this Offering or the Concurrent Private Placement and assuming the Agent's Option is not exercised (78.3% if the Maximum Offering is fully subscribed). As a result, these parties may be able to determine all matters requiring shareholder approval. For example, these shareholders may be able to exert control over our business, including significant corporate actions such as mergers, schemes of arrangement, sales of substantially all of our assets, and election, re-election and removal of directors. This may prevent or discourage unsolicited acquisition proposals or offers for our Common Shares, or other such changes in control, that you may feel are in your best interest. The interests of this group of shareholders may not always coincide with your interests or the interests of other shareholders and they may act in a manner that advances their best interests and not necessarily those of who purchase Common Shares in this Offering, including seeking a premium value for their Common Shares, and might affect the prevailing market price for our Common Shares.

If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, our share price and trading volume could decline.

The trading market for our Common Shares depends, in part, on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who cover us downgrade our stock or publish inaccurate or unfavorable research about our business, our share price would likely decline. In addition, if our operating results fail to meet the forecast of analysts, our share price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our Common Shares could decrease, which might cause our share price and trading volume to decline.

Sales of a substantial number of shares of our Common Shares in the public market by our shareholders or future issuances of our Common Shares or rights to purchase our Common Shares could cause our share price to fall.

Sales of a substantial number of Common Shares by our existing shareholders in the public market, or the perception that these sales might occur, could depress the market price of our Common Shares and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that such sales may have on the prevailing market price of our Common Shares.

We may never pay dividends on our Common Shares, so any returns would be limited to the appreciation of our stock.

We currently anticipate that we will retain any future earnings for the development, operation and expansion of our business and do not anticipate we will declare or pay any cash dividends for the foreseeable future. In addition, the terms of any future debt agreements may preclude us from paying dividends. Any return to shareholders will therefore be limited to the appreciation of their Common Shares.

Our Common Shares lack a liquid, public market and one may not develop in the near future or at all.

There has been no public market for our Common Shares and there can be no assurance that a liquid, public market will develop for our Common Shares. This may affect the pricing of our Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and the extent of issuer regulation. There can be no assurance that an active trading market for our securities will develop or, if developed, that any such market, including for the Common Shares, will be sustained. The Offering Price may not be indicative of the market price of the Common Shares following a listing on the CSE or other stock exchange. In the absence of an active trading market for the Common Shares, investors may have difficulty selling their Common Shares. We cannot predict the prices at which the Common Shares will trade.

Purchasers of our Common Shares in this Offering could be subject to significant dilution from subsequent financings.

The Articles permit the Company to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as established by the Board, in many cases, without the approval of the Company's shareholders. The Company may issue additional Common Shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for Common Shares. The Company cannot predict the size of future issuances of Common Shares or the effect that future issuances and sales of such securities will have on the market price of the Common Shares, should such a market develop. Issuances of a substantial number of additional Common Shares or the perception that such issuances could occur, may adversely affect prevailing market prices for the Common Shares, if any. With any additional issuance of Common Shares investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

Risks Related to the Company

We have a very limited operating history, are not currently profitable, do not expect to become profitable in the near future, and may never become profitable.

We have no meaningful historical operations upon which to evaluate our business and prospects and have not yet demonstrated an ability to obtain marketing approval for any of our product candidates or successfully overcome the risks and uncertainties frequently encountered by companies in the

pharmaceutical industry. We also have not generated any revenues from collaboration and licensing agreements or product sales to date and continue to incur research and development and other expenses. Our prior losses, combined with expected future losses, have had and will continue to have an adverse effect on our shareholders' deficit and working capital, and our future success is subject to significant uncertainty. As we have not begun generating revenue, it is extremely difficult to make accurate predictions and forecasts of our finances and this is compounded by the fact that we intend to operate in the psychedelic industry, which is a relatively new and rapidly transforming industry.

For the foreseeable future, we expect to continue to incur losses, which will increase significantly from recent historical levels as we expand our product development activities, seek regulatory approvals for our product candidates and begin to commercialize them if they are approved by the FDA, the EMA or comparable foreign authorities. Even if we succeed in developing and commercializing one or more product candidates, we may never become profitable.

Our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.

We have a limited operating history. Our operations to date have been limited to organizing and staffing our company, business planning, raising capital, conducting discovery and research activities, filing patent applications, identifying potential product candidates, and establishing arrangements with third parties for the manufacture of initial quantities of our product candidates and component materials. We have not yet demonstrated our ability to successfully complete any clinical trials, obtain marketing approvals, manufacture a commercial-scale product or arrange for a third party to do so on our behalf, or enter into agreements with third parties to conduct sales, marketing and distribution activities necessary for successful commercialization. Consequently, any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer operating history.

We will have increased costs after becoming a publicly traded company.

If we successfully list on the CSE, we will incur significant additional legal, accounting and filing fees that at present, are not required. Securities legislation and the rules and policies of the CSE require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information all of which will significantly increase legal and financial compliance costs. We expect to have significant costs associated with being a public, reporting company. Our ability to continue as a going concern will depend on positive cash flow, if any, from future operations and on our ability to raise additional funds through equity or debt financing. If we are unable to achieve the necessary results or raise or obtain funding to cover the costs of operating as a public, reporting company, we may be forced to discontinue operations.

Other clinical trials or studies may have negative results or reveal adverse safety events.

From time to time, studies or clinical trials on various aspects of biopharmaceutical products are conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the market for the biopharmaceutical products that are the subject of the study. The publication of negative results of studies or clinical trials or adverse safety events related to our product candidates, or the therapeutic areas in which our product candidates compete, could adversely affect our

share price and ability to finance future development of our product candidates, and could materially and adversely affect our business and financial results.

We are highly dependent on the success of our initial product candidates and we cannot be certain that any of them will receive regulatory approval or be commercialized.

To date, we have not submitted an IND to the FDA, and we have not commenced clinical trials for any of our product candidates. All of our product candidates will require additional development, clinical trials, and regulatory clearances before they can be commercialized. Positive results obtained during early development do not necessarily mean later development will succeed or that regulatory clearances will be obtained. Our product development efforts may not lead to commercial products, either because our product candidates are not deemed safe and effective, because of competitive or market forces, intellectual property issues or because we have inadequate financial or other resources to advance our product candidates through the clinical development and approval processes. If any of our product candidates fail to demonstrate safety or efficacy at any time or during any phase of development, we would experience potentially significant delays in, or be required to abandon, development of the product candidate.

We do not anticipate that any of our current product candidates will be eligible to receive regulatory approval from the FDA, the EMA or comparable foreign authorities and begin commercialization for a number of years, if ever. Even if we ultimately receive regulatory approval for any of these product candidates, we or our potential future partners, if any, may be unable to commercialize them successfully for a variety of reasons. These include, for example, the availability of alternative treatments, lack of cost-effectiveness, the cost of manufacturing the product on a commercial scale and competition with other products. The success of our product candidates may also be limited by the prevalence and severity of any adverse side effects. If we fail to commercialize one or more of our current product candidates, we may be unable to generate sufficient revenues to attain or maintain profitability, and our financial condition may decline.

We have never commercialized a product before and may lack the necessary expertise, personnel and resources to successfully commercialize our therapies on our own or with suitable collaborators.

If development of our product candidates does not produce favorable results, we and our collaborators, if any, may be unable to commercialize these product candidates.

To receive regulatory approval for the commercialization of any product candidates that we may develop, adequate and well-controlled clinical trials must be conducted to demonstrate safety and efficacy in humans to the satisfaction of the FDA, the EMA and comparable foreign authorities. In order to support marketing approval, these agencies typically require successful results in one or more Phase 3 clinical trials, which our current product candidates have not yet reached and may never reach. The development process is expensive, can take many years and has an uncertain outcome. Failure can occur at any stage of the process. We may experience numerous unforeseen events during, or as a result of, the development process that could delay or prevent approval and commercialization of our current or future product candidates, any of which may be exacerbated by unforeseen impacts related to the ongoing COVID-19 pandemic. These events may include the following:

- preclinical studies conducted with product candidates for potential clinical development to evaluate their toxicology, carcinogenicity and pharmacokinetics and optimize their formulation, among other things, may produce unfavorable results;
- patient recruitment and enrollment in clinical trials may be slower than we anticipate;
- clinical trials may produce negative or inconclusive results;
- costs of development may be greater than we anticipate;
- the potential advantages of our product candidates may not materialize and thus would confer no benefits to patients over other parties' products that may emerge;
- our product candidates may cause undesirable side effects that delay or preclude regulatory approval or limit their commercial use or market acceptance, if approved;
- collaborators who may be responsible for the development of our product candidates may not devote sufficient resources to the preclinical studies or clinical trials studies of these candidates or conduct them in a timely manner; or
- we may face delays in obtaining regulatory approvals to commence one or more clinical trials.

Success in early development does not mean that later development will be successful because, for example, product candidates in later-stage clinical trials may fail to demonstrate sufficient safety and efficacy despite having progressed through initial clinical trials.

We or any potential future collaborative partner will be responsible for establishing the targeted endpoints and goals for development of our product candidates. These targeted endpoints and goals may be inadequate to demonstrate the safety and efficacy levels required for regulatory approvals. Even if we believe data collected during the development of our product candidates are promising, such data may not be sufficient to support marketing approval by the FDA, the EMA or comparable foreign authorities. Further, data generated during development can be interpreted in different ways, and the FDA, the EMA or comparable foreign authorities may interpret such data in different ways than we or our collaborators. Our failure to adequately demonstrate the safety and efficacy of any of our product candidates would prevent our receipt of regulatory approval, and such failure would ultimately prevent the potential commercialization of these product candidates.

Since we do not currently possess the resources necessary to independently develop and commercialize our product candidates or any other product candidates that we may develop, we will seek to enter into collaborative agreements to assist in the development and potential future commercialization of some or all of these product candidates as a component of our strategic plan. Our discussions with potential collaborators, however, may not lead to the establishment of collaborations on acceptable terms, if at all, or it may take longer than expected to establish new collaborations, leading to development and potential commercialization delays, which would adversely affect our business, financial condition and results of operations.

We expect to incur significant research and development expenses, which may make it difficult for us to attain profitability.

We expect to expend substantial funds in research and development, including preclinical studies and clinical trials for our product candidates, as well as for working capital requirements and other operating

and general corporate purposes. Moreover, an increase in our headcount would dramatically increase our costs in the near and long-term.

Such spending may not yield any commercially viable products. Due to our limited financial and managerial resources, we must focus on a limited number of product candidates and on specific indications. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities.

Because the successful development of our product candidates is uncertain, we are unable to precisely estimate the actual funds we will require to develop and potentially commercialize them. In addition, we may not be able to generate sufficient revenue, even if we are able to commercialize any of our product candidates, to become profitable.

Additional funds may not be available when we need them, on terms that are acceptable to us, or at all. Our ability to raise additional capital may be adversely impacted by potential worsening global economic conditions and the recent disruptions to and volatility in the credit and financial markets in the United States and worldwide resulting from the ongoing COVID-19 pandemic.

We may expend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we will initially develop our lead product candidates for particular diseases. As a result, we may forego or delay pursuit of opportunities in other diseases that may prove to have greater treatment potential. Likewise, we may forego or delay the pursuit of opportunities with other potential product candidates that may prove to have greater commercial potential.

Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable product candidates. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other similar arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to the product candidate.

Given our lack of current cash flow, we will need to raise additional capital; however, it may be unavailable to us or, even if capital is obtained, may cause dilution or place significant restrictions on our ability to operate our business.

Since we will be unable to generate sufficient, if any, cash flow to fund our operations for the foreseeable future, we will need to seek additional equity or debt financing to provide the capital required to maintain or expand our operations.

There can be no assurance that we will be able to raise sufficient additional capital on acceptable terms or at all. If such additional financing is not available on satisfactory terms, or is not available in sufficient amounts, we may be required to delay, limit or eliminate the development of business opportunities, and our ability to achieve our business objectives, our competitiveness, and our business, financial condition and

results of operations may be materially adversely affected. In addition, we may be required to grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. Our inability to fund our business could lead to the loss of your investment.

Our future capital requirements will depend on many factors, including, but not limited to:

- the scope, rate of progress, results and cost of our preclinical studies, clinical trials and other related activities;
- our ability to establish and maintain strategic collaborations, licensing or other arrangements and the financial terms of such arrangements;
- the timing of, and the costs involved in, obtaining regulatory approvals for any of our current or future product candidates;
- the number and characteristics of the product candidates we seek to develop or commercialize;
- the cost of manufacturing clinical supplies of our product candidates;
- the expenses needed to attract and retain skilled personnel;
- the costs associated with being a public company; and
- the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing possible patent claims, including litigation costs and the outcome of any such litigation.

Any capital raising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop our product candidates. Moreover, if we raise additional capital by issuing equity securities, the percentage ownership of our existing shareholders may be reduced, and accordingly these shareholders may experience substantial dilution. We may also issue equity securities that provide for rights, preferences and privileges senior to those of our Common Shares. Given our need for cash and that equity issuances are the most common type of fundraising for similarly situated companies, the risk of dilution is particularly significant for our shareholders. Furthermore, the incurrence of indebtedness would result in increased fixed payment obligations and we may be required to agree to certain restrictive covenants, such as limitations on our ability to incur additional debt and other operating restrictions that could adversely impact our ability to conduct our business. We could also be required to seek funds through arrangements with collaborators or otherwise at an earlier stage than otherwise would be desirable and we may be required to relinquish rights to some of our product candidates or otherwise agree to terms unfavorable to us, any of which may have a material adverse effect on our business, operating results and prospects.

There is substantial doubt about our ability to continue as a going concern.

We had a negative operating cash flow for the period ended September 30, 2021. There is no assurance that sufficient revenues will be generated in the near future, if at all. The report of our independent registered public accounting firm on our December 31, 2020 audited financial statements includes an explanatory paragraph referring to our ability to continue as a going concern. As of September 30, 2021, we had a cash balance of approximately $553,000. In addition, we had outstanding accounts payable and accrued liabilities of $90,100 as of September 30, 2021. Additional funding will be required to continue our R&D and other operating activities as we have not reached successful commercialization of our product candidates. These circumstances cast significant doubt as to our ability to continue as a going concern. The inclusion in our financial statements of a going concern opinion may also negatively impact our ability to raise future financing and achieve future revenue.

We may not be successful in our efforts to build a pipeline of product candidates.

A key element of our strategy is to build a pipeline of product candidates for the treatment of rare genetic diseases and genetic diseases with high unmet medical needs utilizing our GeneTether platform, and progress those product candidates through clinical development. Even if we are successful in building a product candidate pipeline, the potential product candidates that we identify may not be suitable for clinical development for a number of reasons, including causing harmful side effects or demonstrating other characteristics that indicate a low likelihood of receiving marketing approval or achieving market acceptance. If our methods of identifying potential product candidates fail to produce a pipeline of potentially viable product candidates, then our success as a business will be dependent on the success of fewer potential product candidates, which introduces risks to our business model and potential limitations to any success we may achieve.

We are significantly dependent on the success of our GeneTether platform and our product candidates that are based on this program. A failure of any of these product candidates in clinical development would adversely affect our business and may require us to discontinue development of other product candidates that are based on our GeneTether platform.

We have invested, and we expect to continue to invest, significant efforts and financial resources in the development of product candidates that are based on our GeneTether platform. Our ability to generate meaningful revenue, which may not occur for the foreseeable future, if ever, will depend heavily on the successful development, regulatory approval and commercialization of one or more of these product candidates. We will not be able to develop new product candidates if it is found that our GeneTether platform does not create product candidates that are effective and safe for use in humans.

The pharmaceutical industry is intensely competitive and involves a high degree of risk. If we are unable to compete effectively with existing drugs, new treatment methods and new technologies, we or our partners, if any may be unable to successfully commercialize any product candidates that we develop.

The pharmaceutical market is intensely competitive and rapidly changing. Many large pharmaceutical and biotechnology companies, academic institutions, governmental agencies and other public and private research organizations, both in the United States and worldwide, are pursuing the development of novel drugs for the same diseases that we are targeting or expect to target. Many of our competitors have, either alone or with strategic partners:

- much greater financial, research, technical and human resources than we have at every stage of the discovery, development, manufacture and commercialization of products and product candidates;
- more extensive experience in designing and conducting preclinical studies and clinical trials, obtaining regulatory approvals, and in manufacturing, marketing and selling pharmaceutical products and product candidates;
- products and product candidates that have been approved or are in late stages of development; and
- collaborative arrangements in our target markets with leading companies and research institutions.

We will face intense competition from products that have already been approved and accepted by the medical community for the treatment of the conditions for which we may develop product candidates. We also expect to face competition from new drugs that enter the market. These drugs may be more effective, safer, less expensive, introduced to market earlier, or marketed and sold more effectively or on a more cost-effective basis, than any product candidates we develop. It is possible that the potential advantages of any of our product candidates will not materialize.

Our competitors may develop or commercialize products with significant advantages over any product candidates we are able to develop and commercialize based on many different factors, including:

- the safety and effectiveness of our product candidates relative to alternative therapies, if any;
- the timing and scope of regulatory approvals for these product candidates;
- the availability and cost of manufacturing, marketing and sales capabilities;
- price;
- reimbursement coverage from governments and other third-party payors; and
- patent position and intellectual property protection.

Our commercial opportunity could be reduced or eliminated if existing products or products developed and commercialized by our competitors are viewed as safer, more effective, more convenient or less expensive than any products that we may develop. Our competitors may also obtain FDA or other regulatory approval for their competing products more rapidly than we may obtain approval for any of our product candidates, which could result in our competitors establishing a strong market position before we are able to enter the market. Further, we expect that we will also compete with others when recruiting clinical trial sites and subjects for our clinical trials and when recruiting and retaining qualified scientific and management personnel.

Any collaboration arrangement that we may enter into in the future may not be successful, which could adversely affect our ability to develop and commercialize our current and potential future product candidates.

We may seek collaboration arrangements with pharmaceutical companies for the development or commercialization of our current and potential future product candidates. To the extent that we decide to enter into collaboration agreements, we will face significant competition in seeking appropriate collaborators. Moreover, collaboration arrangements are complex and time consuming to negotiate, execute and implement. We may not be successful in our efforts to establish and implement collaborations or other alternative arrangements should we choose to enter into such arrangements, and the terms of the arrangements may not be favorable to us. If and when we collaborate with a third party for development and commercialization of a product candidate, we can expect to relinquish some or all of the control over the future success of that product candidate to the third party. The success of our collaboration arrangements will depend heavily on the efforts and activities of our collaborators. Collaborators generally have significant discretion in determining the efforts and resources that they will apply to these collaborations. As such, our inability to control our collaborators, and the potentially adverse results of our collaborators, may materially and adversely affect our product candidates and we may not be able to conduct our program in the manner or on the time schedule it currently contemplates, which could negatively impact our business.

If our potential future collaborations do not result in the successful development and commercialization of products or if one of our collaborators terminates our agreement with us, we may not receive any future research funding or milestone or royalty payments under the collaboration. If we do not receive the funding we expect under these agreements, our development of our program technology and product candidates could be delayed and we may need additional resources to develop product candidates and our technology.

Disagreements between parties to a collaboration arrangement can lead to delays in developing or commercializing the applicable product candidate and can be difficult to resolve in a mutually beneficial manner. In some cases, collaborations with pharmaceutical companies and other third parties are terminated or allowed to expire by the other party. Any such termination or expiration could adversely affect our business, financial condition and results of operations.

We, or any future collaborators, may not be able to obtain Orphan Drug designation or orphan drug exclusivity for our product candidates.

Regulatory authorities in some jurisdictions, including the United States and Europe, may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a drug as an Orphan Drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the United States. In the United States and Europe, obtaining orphan drug approval may allow us to obtain financial incentives, such as an extended period of exclusivity during which only we are allowed to market the orphan drug for the orphan indications that we are developing. While we may seek orphan drug designation from the FDA for any of our product candidates, we, or any future collaborators, may not be granted orphan drug designations for our product candidates in the United States or in other jurisdictions.

Even if we or any future collaborators obtain orphan drug designation for a drug candidate, we or such collaborators may not be able to obtain orphan drug exclusivity for that product candidate. Generally, a drug with orphan drug designation only becomes entitled to orphan drug exclusivity if it receives the first marketing approval for the indication for which it has such designation, in which case the FDA or the EMA will be precluded from approving another marketing application for the same drug for that indication for the applicable exclusivity period. The applicable exclusivity period is seven years in the United States and ten years in Europe. The European exclusivity period can be reduced to six years if a drug no longer meets the criteria for orphan drug designation or if the drug is sufficiently profitable so that market exclusivity is no longer justified. Orphan drug exclusivity may be lost if the FDA or the EMA determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition.

Even if we or any future collaborators obtain orphan drug exclusivity for a product, that exclusivity may not effectively protect the product from competition because the FDA has taken the position that, under certain circumstances, another drug with the same active chemical and pharmacological characteristics, or moiety, can be approved for the same condition. Specifically, the FDA's regulations provide that it can approve another drug with the same active moiety for the same condition if the FDA concludes that the later drug is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care.

If we seek and obtain a Fast Track or Breakthrough Therapy designation or accelerated approval by the FDA for any of our product candidates, such designations may not actually lead to a faster development or regulatory review or approval process or any other material benefits.

We may in the future seek Fast Track designation for some of our product candidates that reach the regulatory review process. If a product candidate is intended for the treatment of a serious or life-threatening condition and the product candidate demonstrates the potential to address unmet medical needs for this condition, the sponsor may apply to the FDA for a Fast Track designation for the product candidate. If Fast Track designation is obtained, the FDA may initiate review of sections of an NDA before the application is complete. This "rolling review" is available if the applicant provides and the FDA approves a schedule for the remaining information. In addition, a Fast Track product may be eligible for accelerated approval, as described below. The FDA has broad discretion over whether to grant a Fast Track designation and, as a result, even our product candidates that may be eligible for such a designation may not receive it. Even if we were to receive Fast Track designation for any of our product candidates, the designation may not result in a materially faster development process, review or approval compared to conventional FDA procedures. The FDA can withdraw a Fast Track designation if it believes that the designation is no longer supported by data from the clinical development program.

Additionally, we may in the future seek a Breakthrough Therapy designation for our product candidates. The Food and Drug Administration Safety and Innovation Act established the Breakthrough Therapy designation for drugs intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and that, as indicated by preliminary clinical evidence, may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Drugs designated as breakthrough therapies by the FDA are eligible for accelerated approval and increased interaction and communication with the FDA designed to expedite the development and review process.

As with Fast Track designation, designation as a Breakthrough Therapy is within the discretion of the FDA. Accordingly, even if we believe one of our product candidates meets the criteria for designation as a Breakthrough Therapy, the FDA may disagree and may determine not to grant such a designation. Even if we receive a Breakthrough Therapy designation for any of our product candidates, the designation may not result in a materially faster development process, review or approval compared to conventional FDA procedures. Further, obtaining a Breakthrough Therapy designation does not assure or increase the likelihood of the FDA's approval of the applicable drug candidate. The FDA can determine that a drug candidate no longer meet the conditions for the designation or determine not to shorten the time period for FDA review or approval.

We may also in the future seek accelerated approval for some of our product candidates. Under the FDA's accelerated approval regulations, the FDA may approve a drug for a serious or life-threatening disease or condition that provides meaningful therapeutic benefit to patients over existing treatments and demonstrates an effect based upon a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. In clinical trials, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. Surrogate endpoints can often be measured more easily or sooner than clinical

endpoints. As with Fast Track designation and Breakthrough Therapy designation, the FDA has broad discretion over whether to grant approval based on a surrogate endpoint. Accordingly, even if we believe one of our product candidates meets the criteria for accelerated approval, the FDA may disagree and may determine not to grant such approval.

In addition, a drug candidate approved on such an accelerated basis is subject to rigorous post-marketing compliance requirements, including the completion of Phase 4 or post-approval clinical trials to confirm the effect on the clinical endpoint. Failure to conduct required post-approval studies, or to validate the surrogate endpoint or otherwise confirm a clinical benefit during post-marketing studies, would allow the FDA to withdraw the drug from the market on an expedited basis.

We are subject to a multitude of manufacturing risks, any of which could substantially increase our costs and limit supply of our product candidates.

The process of manufacturing our product candidates is complex, highly regulated, and subject to several risks. For example, the process of manufacturing our product candidates is extremely susceptible to product loss due to contamination, equipment failure or improper installation or operation of equipment, or vendor or operator error. Even minor deviations from normal manufacturing processes for any of our product candidates could result in reduced production yields, product defects, and other supply disruptions. If microbial, viral, or other contaminations are discovered in our product candidates or in the manufacturing facilities in which our product candidates are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination. In addition, the manufacturing facilities in which our product candidates are made could be adversely affected by equipment failures, labor shortages, natural disasters, power failures and numerous other factors. It may be difficult or impossible to find cGMP grade manufacturers, manufacturing may be cost prohibitive, we or our third-party manufacturers may not be able to manufacture product candidates in a timely manner, or manufacturing may not be available to fulfill regulatory requirements. In addition, we or our third-party manufacturers may not be able to manufacture our product candidates in a timely manner.

Product manufacturers and distributors are sometimes required to recall or initiate returns of their products for various reasons, including product defects such as contaminations, unintended harmful side effects or interactions with other products, packaging safety and inadequate or inaccurate labeling disclosure. If any of our future products are recalled, we could incur unexpected expense relating to the recall and any legal proceedings that might arise in connection with the recall. We may lose significant revenue due to loss of sales and may not be able to compensate for or replace that revenue.

In addition, any adverse developments affecting manufacturing operations for our product candidates may result in shipment delays, inventory shortages, lot failures, withdrawals or recalls, or other interruptions in the supply of our product candidates. We also may need to take inventory write-offs and incur other charges and expenses for product candidates that fail to meet specifications, undertake costly remediation efforts or seek costlier manufacturing alternatives.

We rely, and will continue to rely, predominantly, on third parties to manufacture our preclinical and clinical drug supplies and our business, financial condition and results of operations could be harmed if those third parties fail to provide us with sufficient quantities of drug product, or fail to do so at acceptable quality levels, prices, or timelines.

We do not currently have, nor do we plan to acquire, the infrastructure or capability internally to manufacture our clinical drug supplies for use in our preclinical studies or clinical trials, and we lack the resources and the capability to manufacture any of our product candidates on a clinical or commercial scale. We rely on our manufacturers to purchase from third-party suppliers the materials necessary to produce our product candidates for our clinical trials. There are a limited number of suppliers for raw materials that we use to manufacture our product candidates, and there may be a need to identify alternate suppliers to prevent a possible disruption of the manufacture of the materials necessary to produce our product candidates for our clinical trials, and, if approved, ultimately for commercial sale. We do not have any control over the process or timing of the acquisition of these raw materials by our manufacturers. Any significant delay or discontinuity in the supply of a product candidate, or the raw material components thereof, for an ongoing clinical trial due to the need to replace a third-party manufacturer could considerably delay completion of our clinical trials and potential regulatory approval of our product candidates, which could harm our business, financial condition and results of operations.

If we are unable to enter into agreements with third parties to sell and market our product candidates, it may be necessary to develop our own commercial organization.

We do not have a sales and marketing organization, and we have no experience as a company in the sales, marketing and distribution of pharmaceutical products. If any of our product candidates are approved for commercialization and we are unable to make arrangements with a third party to perform sales and marketing services, we may be required to develop our own sales, marketing and distribution capabilities. Developing a sales force for any product is expensive and time consuming and could delay any product launch. We may be unable to establish and manage an effective sales force in a timely or cost-effective manner, if at all, and any sales force we do establish may not be capable of generating sufficient demand for our product candidates. To the extent that we enter into arrangements with collaborators or other third parties to perform sales and marketing services, our revenues are likely to be lower than if we marketed and sold our product candidates independently. If we are unable to establish adequate sales and marketing capabilities, independently or with others, we may not be able to generate significant revenues and may not become profitable.

We are exposed to non-clinical and clinical liability risks, which could adversely affect our operations should lawsuits be filed against us.

Our business exposes us to potential liabilities that are inherent in the testing, manufacturing and marketing of pharmaceutical formulations and products. Because we do not currently have any clinical trials ongoing and do not currently sell products, we do not currently carry liability insurance. We anticipate obtaining such insurance upon initiation of our clinical development activities; however, we may be unable to obtain liability insurance on commercially reasonable terms or in adequate amounts. On occasion, large judgments have been awarded in class action lawsuits based on products that had unanticipated adverse effects. A successful liability claim or series of claims brought against us could adversely affect our results of operations and business if judgments therewith exceed our insurance coverage.

If we fail to retain current members of our management, or to attract and keep additional key personnel, we may be unable to successfully develop or commercialize our product candidates.

Our success depends on our continued ability to attract, retain and motivate highly qualified management and scientific personnel. As of September 30, 2021, we had no full-time employees and four key consultants, including the Company's Chief Executive Officer and its Chief Scientific Officer, each of whom anticipate

dedicating approximately 100% of their time to the affairs of the Company. We will rely primarily on outsourcing research, development and clinical trial activities, and manufacturing operations, as well as other functions critical to our business. We believe this approach enhances our ability to focus on our core opportunities, allocate resources efficiently to different projects and allocate internal resources more effectively. Competition for qualified personnel is intense. We may not be successful in attracting qualified personnel to fulfill our future needs. In the event we are unable to fill critical open employment positions, we may need to delay our operational activities and goals, including the development of our product candidates, and may have difficulty in meeting our obligations as a public company. We do not maintain "key person" insurance on any of our key consultants.

The loss of the services of any of our key personnel, the inability to attract or retain highly qualified personnel in the future or delays in hiring such personnel, particularly senior management and other technical personnel, could materially and adversely affect our business, financial condition and results of operations. In addition, the replacement of key personnel likely would involve significant time and costs, and may significantly delay or prevent the achievement of our business objectives.

From time to time, our management seeks the advice and guidance of certain scientific advisors and consultants regarding clinical and regulatory development programs and other customary matters. These scientific advisors and consultants are not our employees and may have commitments to, or consulting or advisory contracts with, other entities that may limit their availability to us. In addition, our scientific advisors may have arrangements with other companies to assist those companies in developing products or technologies that may compete with us.

Any failure to maintain an effective system of internal controls may result in material misstatements of our financial statements or cause us to fail to meet our reporting obligations or fail to prevent fraud; and in that case, our shareholders or other investors could lose confidence in our financial reporting, which would harm our business and could negatively impact the price of our Common Shares.

Effective internal controls are necessary for us to provide reliable financial reports and prevent fraud. If we fail to maintain an effective system of internal controls, we might not be able to report our financial results accurately or prevent fraud; and in that case, our shareholders or other investors could lose confidence in our financial reporting, which would harm our business and could negatively impact the price of our common shares. As a result of our limited administrative staffing levels, internal controls which rely on segregation of duties in many cases are not possible. Due to resource constraints and the present stage of our development, we do not have sufficient size and scale to warrant the hiring of additional staff to address this potential weakness at this time. To help mitigate the impact of this, we are highly reliant on the performance of compensating procedures and senior management's review and approval. Even if we conclude that our internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS, because of its inherent limitations, internal control over financial reporting may not prevent or detect fraud or misstatements. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm our results of operations or cause us to fail to meet our future reporting obligations.

If we fail to timely achieve and maintain the adequacy of our internal control over financial reporting, we may not be able to produce reliable financial reports or help prevent fraud. Our failure to achieve and maintain effective internal control over financial reporting could prevent us from complying with our

reporting obligations on a timely basis, which could result in the loss of shareholder or other investor confidence in the reliability of our financial statements, harm our business and negatively impact the trading price of our Common Shares.

We may lose our foreign private issuer status which would then require us to comply with the domestic reporting regime of the U.S. Securities Exchange Act of 1934, as amended (the Exchange Act), and cause us to incur significant legal, accounting and other expenses.

In order to maintain our current status as a foreign private issuer, either (a) more than 50% of our common shares must be either directly or indirectly owned of record by nonresidents of the United States or (b)(1) a majority of our executive officers or directors may not be U.S. citizens or residents, (2) more than 50% of our assets cannot be located in the United States, and (3) our business must be administered principally outside the United States. If we lose this status, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. We may also be required to make changes in our corporate governance practices in accordance with various rules and regulations of the U.S. Securities Exchange Commission. The regulatory and compliance costs to us if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer may be significantly higher than the costs we will incur as a foreign private issuer.

The directors and officers may have conflicts of interest with the Company.

Most of the Company's directors and some of its officers do not devote their full time to the affairs of the Company. Many of the directors and officers of the Company are also directors, officers and shareholders of other companies, and as a result they may find themselves in a position where their duty to another company conflicts with their duty to the Company. Although the Company has policies which address such potential conflicts and the BCBCA has provisions governing directors in the event of such a conflict, none of the Company's constating documents or any of its other agreements contain any provisions mandating a procedure for addressing such conflicts of interest. There is no assurance that any such conflicts will be resolved in favor of the Company. If any such conflicts are not resolved in favor of the Company, the Company may be adversely affected.

We could be held liable for fraudulent or illegal activity by employees, contractors and consultants resulting in significant financial losses.

We are exposed to the risk that employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities that violates: (i) government regulations; (ii) manufacturing standards; (iii) healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions taken to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of

our operations, any of which could have a material adverse effect on our business, financial condition and results of operations.

Our business and operations would suffer in the event of computer system failures, cyber-attacks or deficiencies in our cyber security or cyber security of our collaborators or partners.

Given our limited operating history, we are still in the process of implementing our internal security measures. Our computer systems, and those of current and future third parties on which we rely, may fail and are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war, pandemics and telecommunications and electrical failure. In addition, any information technology or other internal infrastructure systems we may put in place in the future, including corporate firewalls, servers, leased lines and connection to the Internet, face the risk of systemic failure that could disrupt our operations. While we have not, to our knowledge, experienced any such material system failure or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability, our competitive position could be harmed and the further development and commercialization of our product candidates or any future candidates could be hindered or delayed. Furthermore, we may incur additional costs to remedy the damage caused by these disruptions or security breaches.

Business disruptions such as natural disasters could seriously harm our future revenues and financial condition and increase our costs and expenses.

We and our suppliers may experience a disruption in our and their business as a result of natural disasters. A significant natural disaster, such as an earthquake, hurricane, flood or fire, could severely damage or destroy our headquarters or facilities or the facilities of our manufacturers or suppliers, which could have a material and adverse effect on our business, financial condition and results of operations. In addition, terrorist acts or acts of war could cause damage or disruption to us, our employees, facilities, partners and suppliers, which could have a material adverse effect on our business, financial condition and results of operations.

A pandemic, epidemic, or outbreak of an infectious disease, such as the COVID-19 pandemic, may materially and adversely affect our business, including our preclinical studies, clinical trials, third parties on whom we rely, our supply chain, our ability to raise capital, our ability to conduct regular business and our financial results.

We are subject to risks related to public health crises such as the COVID-19 pandemic. The COVID-19 pandemic originated in Wuhan, China in December 2019 and has since spread to a large number of countries, including the United States and most European countries. The pandemic and policies and regulations implemented by governments in response to the pandemic, often directing businesses and governmental agencies to cease non-essential operations at physical locations, prohibiting certain nonessential gatherings and ceasing non-essential travel have had a significant impact, both direct and indirect, on businesses and commerce, as worker shortages have occurred, supply chains have been disrupted, facilities and production have been suspended, and demand for certain goods and services, such

as medical service and supplies, has spiked, while demand for other goods and services, such as travel, has fallen. The full extent to which COVID-19 will ultimately impact our business will depend on future developments, which are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others. Global health concerns, such as the COVID-19 pandemic, could also result in social, economic, and labor instability in the countries in which we or the third parties with whom we engage operate.

If the COVID-19 pandemic continues and persists for an extended period of time, we expect there could be significant and material disruptions to our supply chain and operations, and associated delays in the manufacturing and supply of our product candidates. Any such supply disruptions would adversely impact our business, financial condition, results of operations and growth prospects.

As COVID-19 continues to be present and spread around the globe, we may experience additional disruptions that could severely impact our business and clinical trials, including:

- delays or difficulties in enrolling patients in our clinical trials;
- delays or difficulties in clinical site initiation, including difficulties in recruiting clinical site investigators and clinical site staff;
- diversion of healthcare resources away from the conduct of clinical trials;
- interruption of key clinical trial activities;
- risk that participants enrolled in our clinical trials will acquire COVID-19 while the clinical trial is ongoing;
- limitations in employee resources that would otherwise be focused on conducting our clinical trials;
- delays in receiving authorizations from regulatory authorities to initiate our planned clinical trials;
- delays in clinical sites receiving the supplies and materials needed to conduct our clinical trials;
- changes in local regulations as part of a response to the COVID-19 pandemic which may require us to change the ways in which our clinical trials are conducted, which may result in unexpected costs, or the discontinuation of the clinical trials altogether;
- interruptions or delays in preclinical studies due to restricted or limited operations at research and development laboratory facilities;
- interruptions or delays in efforts to acquire data needed to support patent claims or otherwise expand the Company's intellectual property portfolio;
- delays in necessary interactions with local regulators, ethics committees and other important agencies and contractors due to limitations in employee resources or forced furlough of government employees; and
- refusal of the FDA, the EMA, the MHRA or the other regulatory bodies to accept data from clinical trials in affected geographies outside the United States or the EU or other relevant local geography.

Any negative impact the COVID-19 pandemic has on patient enrollment or treatment or the development of our product candidates could cause costly delays to clinical trial activities, which could adversely affect our ability to obtain regulatory approval for and to commercialize our product candidates, if approved,

increase our operating expenses, and have a material adverse effect on our financial results. The COVID-19 pandemic has also caused significant volatility in public equity markets and disruptions to the United States and global economies. This increased volatility and economic dislocation may make it more difficult for us to raise capital on favorable terms, or at all. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also heighten many of the other risks described in this ''*Risk Factors*'' section, such as those relating to the timing and completion of our clinical trials and our ability to obtain future financing.

We may engage in strategic transactions that could impact our liquidity, increase our expenses and present significant distractions to our management.

From time to time, we may consider strategic transactions, such as spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, business combinations and investments. Additional potential transactions that we may consider include a variety of different business arrangements, including acquisitions of companies, asset purchases and out-licensing or in-licensing of drugs, product candidates or technologies. Any such transaction may require us to incur non-recurring or other charges, may increase our near- and long-term expenditures and may pose significant integration challenges or disrupt our management or business, which could adversely affect our business, financial condition and results of operations. For example, these transactions may entail numerous operational and financial risks, including:

- exposure to unknown liabilities;
- disruption of our business and diversion of our management's time and attention in order to develop acquired drugs, product candidates or technologies;
- incurrence of substantial debt or dilutive issuances of equity securities to pay for any of these transactions;
- higher-than-expected transaction and integration costs;
- write-downs of assets or goodwill or impairment charges;
- increased amortization expenses;
- difficulty and cost in combining the operations and personnel of any acquired businesses or product lines with our operations and personnel;
- impairment of relationships with key suppliers or customers of any acquired businesses or product lines due to changes in management and ownership; and
- inability to retain key employees of any acquired businesses.

Accordingly, although there can be no assurance that we will undertake or successfully complete any transactions of the nature described above, any transactions that we do complete may be subject to the foregoing or other risks, and could have a material adverse effect on our business, financial condition and results of operations.

The estimates and judgments we make, or the assumptions on which we rely, in preparing our financial statements could prove inaccurate.

Our financial statements have been prepared in accordance with International Financial Reporting Standards. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of our assets, liabilities, revenues and expenses, the amounts of charges accrued by us and related disclosure of contingent assets and liabilities. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. We cannot assure, however, that our estimates, or the assumptions underlying them, will not change over time or otherwise prove inaccurate. For example, our estimates as they relate to anticipated timelines and milestones for our preclinical development or clinical trials may prove to be inaccurate. If this is the case, we may be required to restate our financial statements, which could, in turn, subject us to securities class action litigation or regulatory investigation or action. Defending against such potential litigation or regulatory action relating to a restatement of our financial statements would be expensive and would require significant attention and resources of our management. Moreover, our insurance to cover our obligations with respect to the ultimate resolution of any such litigation or regulatory action may be inadequate. As a result of these factors, any such potential litigation or regulatory action could have a material adverse effect on our financial results or harm our business.

Treatment of Company and Shareholders for U.S. and Canadian Tax Purposes

A corporation is generally considered for U.S. federal income tax purposes to be a tax resident in the jurisdiction of its organization or incorporation. Accordingly, under the generally applicable U.S. federal income tax rules, the Company, which is incorporated under the laws of a province of Canada, would be classified as a non-U.S. corporation (and, therefore, not a U.S. tax resident) for U.S. federal income tax purposes. However, Section 7874 of the Internal Revenue Code, provides an exception to this general rule, under which a non-U.S. incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal income tax purposes. These rules are complex and there is limited guidance regarding their application. Under Section 7874, a corporation created or organized outside the United States (i.e., a non-U.S. corporation) will nevertheless be treated as a U.S. corporation for U.S. federal income tax purposes (and, therefore, as a U.S. tax resident subject to U.S. federal income tax on its worldwide income) if each of the following three conditions are met: (i) the non-U.S. corporation, directly or indirectly, acquires substantially all of the properties held directly or indirectly by a U.S. corporation (including through the acquisition of all of the outstanding shares of the U.S. corporation); (ii) the non-U.S. corporation's "expanded affiliated group" does not have "substantial business activities" in the non-U.S. corporation's country of organization or incorporation and tax residence relative to the expanded affiliated group's worldwide activities; and (iii) after the acquisition, the former shareholders of the acquired U.S. corporation hold at least 80% (by either vote or value) of the shares of the non-U.S. acquiring corporation by reason of holding shares in the U.S. acquired corporation (taking into account the receipt of the non-U.S. corporation's shares in exchange for the U.S. corporation's shares) as determined for purposes of Section 7874 (this test is referred to as the "80% ownership test"). For purposes of Section 7874, the Company believes that the three conditions described above were met as a result of the Reorganization, and the Company has taken the position that it will be treated as a U.S. domestic corporation for U.S. federal income tax purposes.

A number of significant and complicated U.S. federal income tax consequences may result from such classification, and this risk factor does not attempt to describe all such U.S. federal income tax consequences. Section 7874 of the Internal Revenue Code and the Treasury Regulations promulgated

thereunder do not address all the possible tax consequences that arise from the Company being treated as a U.S. domestic corporation for U.S. federal income tax purposes. Accordingly, there may be additional or unforeseen U.S. federal income tax consequences to the Company that are not discussed in this risk factor.

Generally, the Company will be subject to U.S. federal income tax on its worldwide taxable income (regardless of whether such income is "U.S. source" or "foreign source") and will be required to file a U.S. federal income tax return annually with the IRS. As the Company is deemed a resident of Canada for Canadian tax purposes under the Tax Act by virtue of its incorporation under the laws of the province of British Columbia, it is also taxable in Canada on its worldwide income. It is unclear how the foreign tax credit rules under the Internal Revenue Code or the Tax Act will operate in certain circumstances, given the treatment of the Company as a U.S. domestic corporation for U.S. federal income tax purposes and the taxation of the Company as a resident of Canada under the Tax Act. Accordingly, it is possible that the Company will be subject to double taxation with respect to all or part of its taxable income. It is anticipated that such U.S. and Canadian tax treatment will continue indefinitely and that shares in the Company will be treated indefinitely as shares in a U.S. domestic corporation for U.S. federal income tax purposes, notwithstanding future transfers.

It is unlikely that the Company will pay any dividends on the Unit Shares in the foreseeable future. However, dividends received by shareholders who are residents of Canada for purposes of the Tax Act will generally be subject to U.S. withholding tax at a 30% rate or such lower rate as provided in an applicable treaty. In addition, a Canadian foreign tax credit or deduction may not be available under the Tax Act in respect of such taxes.

Dividends received by U.S. resident shareholders will not be subject to U.S. withholding tax but will be subject to Canadian withholding tax under the Tax Act. Dividends paid by the Company will be characterized as U.S. source income for purposes of the foreign tax credit rules under the U.S. Tax Code. Accordingly, U.S. shareholders generally will not be able to claim a credit for any Canadian tax withheld unless, depending on the circumstances, they have an excess foreign tax credit limitation due to other foreign source income that is subject to a low or zero rate of foreign tax.

Dividends received by shareholders that are neither Canadian nor U.S. residents will generally be subject to U.S. withholding tax and will also be subject to Canadian withholding tax. These dividends may not qualify for a reduced rate of U.S. withholding tax under any income tax treaty otherwise applicable to a shareholder of the Company, subject to examination of the relevant treaty.

Since the Company is classified as a U.S. domestic corporation for United States federal income tax purposes under Section 7874(b) of the U.S. Tax Code, the Unit Shares will be treated as shares of a U.S. domestic corporation and shareholders will be subject to the relevant provisions of the U.S. Tax Code and/or the applicable tax treaty. As a result, the United States gift, estate and generation-skipping transfer tax rules generally apply to a non-United States shareholder of Subordinate Voting Shares.

EACH SHAREHOLDER SHOULD SEEK TAX ADVICE, BASED ON SUCH SHAREHOLDER'S PARTICULAR FACTS AND CIRCUMSTANCES, FROM AN INDEPENDENT TAX ADVISOR, INCLUDING, WITHOUT LIMITATION, IN CONNECTION WITH THE COMPANY'S CLASSIFICATION AS A U.S. DOMESTIC CORPORATION FOR UNITED STATES FEDERAL INCOME TAX PURPOSES UNDER SECTION 7874(b) OF THE U.S. TAX CODE, THE APPLICATION OF THE U.S. TAX CODE, THE APPLICATION OF THE APPLICABLE TREATY, THE APPLICATION OF U.S. FEDERAL ESTATE AND GIFT TAXES, THE APPLICATION OF FEDERAL TAX WITHHOLDING

REQUIREMENTS, THE APPLICATION OF U.S. ESTIMATED TAX PAYMENT REQUIREMENTS AND THE APPLICATION OF U.S. TAX RETURN FILING REQUIREMENTS.

Risks Related to Our Intellectual Property

We may not be successful in obtaining or maintaining rights to product candidates through acquisitions and in-licenses.

We may need to acquire or in-license intellectual property in the future. We may be unable to acquire or in-license any compositions, methods of use, processes or other intellectual property rights from third parties that we identify as necessary for our existing product candidates or for new product candidates that we intend to develop. We face competition with regard to acquiring and in-licensing third-party intellectual property rights, including from a number of more established companies. These established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license intellectual property rights to us. We also may be unable to acquire or in-license third-party intellectual property rights on terms that would allow it to make an appropriate return on our investment, and we may not be able to market products or perform research and development or other activities covered by these patents.

We may enter into collaboration agreements with U.S. and foreign academic institutions to accelerate development of our current or future preclinical product candidates. Typically, these agreements include an option for the company to negotiate a license to the institution's intellectual property rights resulting from the collaboration. Even with such an option, we may be unable to negotiate a license within the specified timeframe or under terms that are acceptable to us. If we are unable to license rights from a collaborating institution, the institution may offer the intellectual property rights to other parties, potentially blocking our ability to pursue our desired program.

If we are unable to successfully obtain required third-party intellectual property rights or maintain our existing intellectual property rights, we may need to abandon development of the related program and our business, financial condition and results of operations could be materially and adversely affected.

If we fail to comply with our obligations in the agreements under which we in-license intellectual property and other rights from third parties or otherwise experiences disruptions to our business relationships with our licensors, we could lose intellectual property rights that are important to our business.

We may enter into license agreements for compositions, methods of use, processes or other intellectual property rights in the future. We expect that any future license agreements will impose various royalties, sublicensing fees and other obligations on us. If we fail to comply with our obligations under these agreements, we may be required to make certain payments to the licensor, we may lose the exclusivity of our license, or the licensor may have the right to terminate the license, in which event we would not be able to develop or market products covered by the license. Additionally, the royalties and other payments associated with these licenses could materially and adversely affect our business, financial condition and results of operations.

In some cases, patent prosecution of licensed technology may be controlled solely by the licensor. If a licensor fails to obtain and maintain patent or other protection for the proprietary intellectual property we

in-license, then we could lose our rights to the intellectual property or our exclusivity with respect to those rights, and our competitors could market competing products using the intellectual property. In certain cases, we may control the prosecution of patents resulting from licensed technology. In the event we breach any of our obligations related to such prosecution, we may incur significant liability to our licensing partners. Licensing of intellectual property is of critical importance to our business and involves complex legal, business and scientific issues. Disputes may arise regarding intellectual property subject to a licensing agreement, including, but not limited to:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- the sublicensing of patent and other rights;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our collaborators; and
- the priority of invention of patented technology.

If disputes over intellectual property and other rights that we may in-license in the future prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates. If we fail to comply with any such obligations to our licensor, such licensor may terminate their licenses to us, in which case we would not be able to market products covered by these licenses. The loss of any licenses could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to protect our proprietary or licensed technology in the marketplace.

We depend on our ability to protect our proprietary or licensed technology. We rely on trade secret, patent, and trademark laws, and confidentiality, licensing and other agreements with employees and third parties, all of which offer only limited protection. Our success depends in large part on our ability and any licensor's or licensee's ability to obtain and maintain patent protection in the United States and other countries with respect to our proprietary or licensed technology and product candidates. We may in-license additional intellectual property rights in the future. We cannot be certain that patent enforcement activities by future licensors have been or will be conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents or other intellectual property rights. We also cannot be certain that future licensors will allocate sufficient resources or prioritize their or our enforcement of such patents. Even if we are not a party to these legal actions, an adverse outcome could prevent us from continuing to license intellectual property that we may need to operate our business, which would have a material adverse effect on our business, financial condition and results of operations.

We believe we will be able to obtain, through prosecution of patent applications covering our owned technology and technology licensed from others, adequate patent protection for our product candidates. However, we have not completed any patentability searches in relation to our current patent applications, and have not received any formal opinions regarding patentability or freedom to operate in relation to the subject matter disclosed and claimed in the patent applications. There is no guarantee that the patent

applications will issue. If our patent applications do not issue or if we are compelled to spend significant time and money protecting or enforcing our future patents we may own or license, designing around patents held by others, or licensing or acquiring patents or other proprietary rights held by others, our business, financial condition and results of operations may be materially and adversely affected. If we are unable to effectively protect the intellectual property that we own or license, other companies may be able to offer the same or similar products for sale, which could materially adversely affect our business, financial condition and results of operations. The patents of others from whom we may license technology, and any future patents we may own, may be challenged, narrowed, invalidated or circumvented, which could limit our ability to stop competitors from marketing the same or similar products or limit the length of term of patent protection that we may have for our products.

Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection for licensed patents, licensed pending patent applications and potential future patent applications and patents could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or patent applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the applicable patent and/or patent application. The USPTO and various non-U.S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. In many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If this occurs with respect to our existing patent applications, patent applications we may file in the future or patents we may in-license in the future, our competitors might be able to use our technologies, which would have a material adverse effect on our business, financial condition and results of operations.

The patent positions of pharmaceutical products are often complex and uncertain. The breadth of claims allowed in pharmaceutical patents in the United States and many jurisdictions outside of the United States is not consistent. For example, in many jurisdictions, the support standards for pharmaceutical patents are becoming increasingly strict. Some countries prohibit method of treatment claims in patents. Changes in either the patent laws or interpretations of patent laws in the United States and other countries may diminish the value of our licensed or owned intellectual property or create uncertainty. In addition, publication of information related to our current product candidates and potential product candidates may prevent us from obtaining or enforcing patents relating to these product candidates and potential product candidates.

Patents that we may own or license in the future do not necessarily ensure the protection of our licensed or owned intellectual property for a number of reasons, including, without limitation, the following:

- the patents may not be broad or strong enough to prevent competition from other products that are identical or similar to our product candidates;
- there can be no assurance that the term of a patent can be extended under the provisions of patent term extensions afforded by U.S. law or similar provisions in foreign countries, where available;

- the issued patents and patents that we may obtain or license in the future may not prevent generic entry into the market for our product candidates;
- we, or third parties from whom we in-license or may license patents, may be required to disclaim part of the term of one or more patents;
- there may be prior art of which we are not aware that may affect the validity or enforceability of a patent claim;
- there may be prior art of which we are aware, which we do not believe affects the validity or enforceability of a patent claim, but which, nonetheless, ultimately may be found to affect the validity or enforceability of a patent claim;
- there may be other patents issued to others that will affect our freedom to operate;
- if the patents are challenged, a court could determine that they are invalid or unenforceable;
- there might be a significant change in the law that governs patentability, validity and infringement of our licensed patents or any future patents we may own that adversely affects the scope of our patent rights;
- a court could determine that a competitor's technology or product does not infringe our licensed patents or any future patents we may own; and
- the patents could irretrievably lapse due to failure to pay fees or otherwise comply with regulations or could be subject to compulsory licensing.

If we encounter delays in our development or clinical trials, the period of time during which we could market our potential products under patent protection would be reduced.

Our competitors may be able to circumvent patents we may own or license in the future by developing similar or alternative technologies or products in a non-infringing manner. Our competitors may seek to market generic versions of any approved products by submitting abbreviated new drug applications to the FDA in which our competitors claim that our licensed patents or any future patents we may own are invalid, unenforceable or not infringed. Alternatively, our competitors may seek approval to market their own products similar to or otherwise competitive with our product candidates. In these circumstances, we may need to defend or assert any patents we may own or license in the future, including by filing lawsuits alleging patent infringement. In any of these types of proceedings, a court or other agency with jurisdiction may find the patents we may own or license in the future invalid or unenforceable. We may also fail to identify patentable aspects of our research and development before it is too late to obtain patent protection. Even if we own or in-license valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve our business objectives.

The issuance of a patent is not conclusive as to its inventorship, scope, ownership, priority, validity or enforceability. In this regard, third parties may challenge our licensed patents or any future patents we may own in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and potential drugs. In addition, given the amount of time required for the development, testing and regulatory review of

new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized.

Any claims or lawsuits relating to infringement of intellectual property rights brought by or against us will be costly and time consuming and may adversely affect our business, financial condition and results of operations.

We may be required to initiate litigation to enforce or defend our owned or licensed intellectual property. Lawsuits to protect our intellectual property rights can be very time consuming and costly. There is a substantial amount of litigation involving patent and other intellectual property rights in the pharmaceutical industry generally. Such litigation or proceedings could substantially increase our operating expenses and reduce the resources available for development activities or any future sales, marketing or distribution activities.

In any infringement litigation, any award of monetary damages we receive may not be commercially valuable. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during litigation. Moreover, there can be no assurance that we will have sufficient financial or other resources to file and pursue such infringement claims, which typically last for years before they are resolved. Further, any claims we assert against a perceived infringer could provoke these parties to assert counterclaims against us alleging that we have infringed their patents. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

In addition, our patent applications, and patents and patent applications that we may apply for, own or license in the future, could face other challenges, such as interference proceedings, opposition proceedings, re-examination proceedings and other forms of post-grant review. Any of these challenges, if successful, could result in the invalidation of, or in a narrowing of the scope of, any of our licensed patents and patent applications and patents and patent applications that we may apply for, own or license in the future subject to challenge. Any of these challenges, regardless of their success, would likely be time-consuming and expensive to defend and resolve and would divert our management and scientific personnel's time and attention, may adversely affect our ability to raise funds or may otherwise cause public relations problems.

Changes in U.S. patent law could diminish the value of patents in general, thereby impairing our ability to protect our product candidates or, upon any approval, drug products.

As is the case with other pharmaceutical companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the pharmaceutical industry involves both technological and legal complexity and is costly, time-consuming and inherently uncertain. For example, the United States previously enacted and is currently implementing wide-ranging patent reform legislation. Specifically, on September 16, 2011, the Leahy-Smith America Invents Act (the Leahy-Smith Act) was signed into law and included a number of significant changes to U.S. patent law, and many of the provisions became effective in March 2013. However, it may take the courts years to interpret the provisions of the Leahy-Smith Act, and the implementation of the statute could increase the uncertainties and costs surrounding the prosecution of our licensed and future patent applications and the enforcement or defense of our

licensed and future patents, all of which could have a material adverse effect on our business, financial condition and results of operations. In addition, the U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce patents that we might obtain in the future.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on product candidates throughout the world would be prohibitively expensive. Competitors may use our licensed and owned technologies in jurisdictions where we have not licensed or obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we may obtain or license patent protection, but where patent enforcement is not as strong as that in the United States. These products may compete with our product candidates in jurisdictions where we do not have any issued or licensed patents, and any future patent claims or other intellectual property rights may not be effective or sufficient to prevent them from so competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to pharmaceuticals, which could make it difficult for us to stop the infringement of any patents we may own in the future, or marketing of competing products in violation of our proprietary rights generally. Further, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our licensed and owned intellectual property both in the United States and abroad. Proceedings to enforce our future patent rights, if any, in foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business.

We may be unable to adequately prevent disclosure of trade secrets and other proprietary information.

Due to our expected reliance on third parties throughout the development and manufacturing of our products, we may share trade secrets with such third parties. In order to protect our proprietary technology and processes, we rely in part on confidentiality agreements with our corporate partners, employees, consultants, manufacturers, outside scientific collaborators and sponsored researchers and other advisors. These agreements may not effectively prevent disclosure of our confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information. Failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.

We expect to employ individuals who were previously employed at other pharmaceutical companies. Although we have no knowledge of any such claims against us, we may be subject to claims that us or our

employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of our employees' former employers or other third parties. Litigation may be necessary to defend against these claims. There is no guarantee of success in defending these claims, and even if we are successful, litigation could result in substantial cost and be a distraction to our management and other employees.

We may be subject to claims challenging the inventorship of any patents we may own in the future and other intellectual property.

Although we are not currently experiencing any claims challenging the inventorship of our intellectual property, we may in the future be subject to claims that former employees, collaborators or other third parties have an interest in patents we may own or other licensed or owned intellectual property as an inventor or co-inventor. For example, we may have inventorship disputes arise from conflicting obligations of consultants or others who are involved in developing our product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business, financial condition and results of operations. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

If we do not obtain additional protection under the Hatch-Waxman Amendments and similar foreign legislation extending the terms of our licensed patents and any future patents we may own, our business, financial condition and results of operations may be materially and adversely affected.

Depending upon the timing, duration and specifics of FDA regulatory approval for our product candidates, U.S. patents that we may license or own may be eligible for limited patent term restoration under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent restoration term of up to five years as compensation for patent term lost during drug development and the FDA regulatory review process. This period is generally one-half the time between the effective date of an IND (falling after issuance of the patent) and the submission date of an NDA, plus the time between the submission date of an NDA and the approval of that application. Patent term restorations, however, cannot extend the remaining term of a patent beyond a total of 14 years from the date of approval by the FDA.

The application for patent term extension is subject to approval by the USPTO, in conjunction with the FDA. It takes at least six months to obtain approval of the application for patent term extension. We may not be granted an extension because of, for example, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain patent term extension or restoration or the term of any such extension is less than we request, the period during which we will have the right to exclusively market our product will be shortened and our competitors may obtain earlier approval of competing products, and our ability to generate revenues could be materially adversely affected.

Risks Related to Government Regulation

We are very early in our development efforts. If we are unable to advance our product candidates to clinical development, obtain regulatory approval and ultimately commercialize our product candidates through partnerships, sales or on our own, or experience significant delays in doing so, our business will be materially harmed.

We are very early in our development efforts. Our ability to generate revenues, which we do not expect will occur for many years, if ever, will depend on the successful development and eventual sale, out-license, or commercialization of our product candidates, which may never occur. We currently generate no revenue and we may never be able to develop or commercialize a marketable product. The success of our product candidates will depend on several factors, including the following:

- successful completion of any necessary preclinical studies;
- submission of INDs prior to commencement of our clinical trials;
- successful enrollment in, and completion of, clinical trials;
- receipt of regulatory approvals from applicable regulatory authorities;
- establishing manufacturing capabilities;
- obtaining and maintaining patent and trade secret protection or regulatory exclusivity for our product candidates;
- commercial launch of our product candidates, if and when approved, whether by a purchaser, collaborator or alone;
- acceptance of our product candidates, if and when approved, by patients, the medical community and third-party payors;
- effectively competing with other therapies;
- obtaining and maintaining third-party insurance coverage and adequate reimbursement;
- enforcing and defending intellectual property rights and claims; and
- maintaining a continued acceptable safety profile of the product candidates following approval, if approved.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully commercialize our product candidates, which would materially harm our business. If we do not receive regulatory approvals for our product candidates, we may not be able to continue our operations.

Preclinical and clinical trials are expensive, time-consuming and difficult to design and implement, and involve uncertain outcomes. Furthermore, results of earlier preclinical studies and clinical trials may not be predictive of results of future preclinical studies or clinical trials.

Before we can commence clinical trials, certain of our product candidates may require preclinical studies that support our planned INDs in the United States or similar applications in other jurisdictions. We cannot be certain of the timely completion or outcome of any preclinical studies and cannot predict if the FDA or

other regulatory authorities will accept our proposed clinical programs or if the outcome of our preclinical testing and studies will ultimately support the further development of our programs. It is also impossible to predict when or if any of our product candidates will complete clinical trials evaluating their safety and effectiveness in humans or will receive regulatory approval. To obtain the requisite regulatory approvals to market and sell any of our product candidates, we must demonstrate through extensive clinical trials, and potentially preclinical studies, that our product candidates are safe and effective in humans for use in each target indication. To date, we have never advanced a drug candidate into a clinical trial. Preclinical and clinical testing is expensive and can take many years to complete, and the outcome is inherently uncertain. Failure can occur at any time during the preclinical or clinical trial process. Delays or failures in our preclinical or clinical programs would adversely affect our ability to obtain regulatory approvals or commercialize these programs on a timely basis or at all, which would have an adverse effect on our business, financial condition and results of operations.

Additionally, the results of preclinical studies and future clinical trials of product candidates may not be predictive of the results of later-stage clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy results despite having progressed through preclinical studies and initial clinical trials. Many companies in the pharmaceutical industry have suffered significant setbacks in advanced clinical trials due to adverse safety profiles or lack of efficacy, notwithstanding promising results in earlier studies. Similarly, our future clinical trial results may not be successful for these or other reasons.

Product candidate development risk is heightened by any changes in the anticipated clinical trials compared to the completed clinical trials. As product candidates are developed from preclinical through early to late stage clinical trials towards approval and commercialization, it is customary that various aspects of the development program, such as manufacturing and methods of administration, are altered along the way in an effort to optimize processes and results. While these types of changes are common and are intended to optimize the product candidates for late stage clinical trials, approval and commercialization, such changes carry the risk that they will not achieve these intended objectives.

Any of these changes could make the results of our anticipated clinical trials or other future clinical trials we may initiate less predictable and could cause our product candidates to perform differently, including causing toxicities, which could delay completion of our clinical trials, delay approval of our product candidates, and/or jeopardize our ability to generate revenues.

We may rely on third parties to conduct investigator-sponsored clinical trials of our product candidates. Any failure by a third party with respect to the clinical development of our product candidates may delay or impair our ability to obtain regulatory approvals.

We may rely on academic and private non-academic institutions to conduct and sponsor preclinical and clinical trials relating to our product candidates. We will not control the design or conduct of the investigator-sponsored trials, and it is possible that the FDA or non-U.S. regulatory authorities will not view these investigator-sponsored trials as providing adequate support for future preclinical and clinical trials, whether controlled by us or third parties, for any one or more reasons, including elements of the design or execution of the trials or safety concerns or other trial results. For example, we may collaborate with, and rely on, academic centers to conduct preclinical and non-investigator-sponsored research and it is possible that the interests of such academic centers may not be aligned with our interests.

Such arrangements will likely provide us certain information rights resulting from the investigator-sponsored trials, including access to and the ability to use and reference the data, including for our own regulatory filings. However, we would not have control over the timing and reporting of the data from investigator-sponsored trials, nor would we own the data from the investigator-sponsored trials. If we are unable to confirm or replicate the results from the investigator-sponsored trials or if negative results are obtained, we would likely be further delayed or prevented from advancing further clinical development of our product candidates. Further, if investigators or institutions breach their obligations with respect to the clinical development of our product candidates, or if the data proves to be inadequate compared to the first-hand knowledge we might have gained had the investigator-sponsored trials been sponsored and conducted by us, then our ability to design and conduct any future preclinical or clinical trials ourselves may be adversely affected.

Additionally, the FDA or non-U.S. regulatory authorities may disagree with the sufficiency of our right of reference to the preclinical, manufacturing or clinical data generated by these investigator-sponsored trials, or our interpretation of preclinical, manufacturing or clinical data from these investigator-sponsored trials. If so, the FDA or other non-U.S. regulatory authorities may require us to obtain and submit additional preclinical, manufacturing, or clinical data before we may initiate our anticipated trials and/or may not accept such additional data as adequate to initiate our anticipated trials.

We intend to rely on third parties to conduct our preclinical studies and clinical trials and perform other tasks. If these third parties do not successfully carry out their contractual duties, meet expected deadlines, or comply with regulatory requirements, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business, financial condition and results of operations could be substantially harmed.

We intend to rely upon third-party CROs, medical institutions, clinical investigators and contract laboratories to monitor and manage data for our preclinical and clinical programs. Nevertheless, we maintain responsibility for ensuring that each of our preclinical studies are, and anticipated clinical studies will be, conducted in accordance with the applicable protocol, legal, regulatory, and scientific standards and our reliance on these third parties does not relieve the Company of our regulatory responsibilities. The Company and our CROs and other vendors are required to comply with current requirements on cGMP, GCP and GLP, which are a collection of laws and regulations enforced by the FDA, the EMA and comparable foreign authorities for all of our product candidates in clinical development. Regulatory authorities enforce these regulations through periodic inspections of preclinical study and clinical trial sponsors, principal investigators, preclinical study and clinical trial sites, and other contractors. If we or any of our CROs or vendors fails to comply with applicable regulations, the data generated in our preclinical studies and clinical trials may be deemed unreliable and the FDA, the EMA or comparable foreign authorities may require us to perform additional preclinical studies and clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with GCP regulations. In addition, our clinical trials must be conducted with products produced consistent with cGMP regulations. Our failure to comply with these regulations may require it to repeat clinical trials, which would delay the development and regulatory approval processes.

We may also not be able to enter into arrangements with CROs on commercially reasonable terms, or at all. In addition, our CROs will not be our employees, and except for remedies available to us under our agreements with such CROs, we will not be able to control whether or not they devote sufficient time and

resources to our ongoing preclinical and clinical programs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the data they obtain is compromised due to the failure to adhere to our protocols, regulatory requirements, or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. CROs may also generate higher costs than anticipated. As a result, our business, financial condition and results of operations and the commercial prospects for our product candidates could be materially and adversely affected, our costs could increase, and our ability to generate revenue could be delayed.

Switching or adding CROs, medical institutions, clinical investigators or contract laboratories involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work replacing a previous CRO. As a result, delays occur, which can materially impact our ability to meet our desired development timelines. There can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse effect on our business, financial condition or results of operations.

Our product candidates may cause undesirable side effects that could delay or prevent their regulatory approval or commercialization or have other significant adverse implications on our business, financial condition and results of operations.

Undesirable side effects observed in preclinical studies or in clinical trials with our product candidates could interrupt, delay or halt their development and could result in the denial of regulatory approval by the FDA, the EMA or comparable foreign authorities for any or all targeted indications or adversely affect the marketability of any product candidates that receive regulatory approval. In turn, this could eliminate or limit our ability to commercialize our product candidates.

Our product candidates may require a risk management program that could include patient and healthcare provider education, usage guidelines, appropriate promotional activities, a post-marketing observational study and ongoing safety and reporting mechanisms, among other requirements. Prescribing could be limited to physician specialists or physicians trained in the use of the drug, or could be limited to a more restricted patient population. Any risk management program required for approval of our product candidates could potentially have an adverse effect on our business, financial condition and results of operations.

Undesirable side effects involving our product candidates may have other significant adverse implications on our business, financial condition and results of operations. For example:

- we may be unable to obtain additional financing on acceptable terms, if at all;
- our collaborators may terminate any development agreements covering these product candidates;
- if any development agreements are terminated, we may determine not to further develop the affected product candidates due to resource constraints and may not be able to establish additional collaborations for their further development on acceptable terms, if at all;
- if we were to later continue the development of these product candidates and receive regulatory approval, earlier findings may significantly limit their marketability and thus significantly lower our potential future revenues from their commercialization;
- we may be subject to product liability or shareholder litigation; and

- we may be unable to attract and retain key employees.

In addition, if any of our product candidates receive marketing approval and we or others later identify undesirable side effects caused by the drug:

- regulatory authorities may withdraw their approval of the drug, or we or our partners may decide to cease marketing and sale of the drug voluntarily;
- we may be required to change the way the drug is administered, conduct additional preclinical studies or additional clinical trials after initial clinical trials regarding the drug, change the labeling of the drug, or change the drug's manufacturing facilities; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the affected drug and could substantially increase the costs and expenses of commercializing the drug, which in turn could delay or prevent us from generating significant revenues from the sale of the drug.

Delays in the commencement or completion of clinical trials could result in increased costs to us and delay our ability to establish strategic collaborations.

Delays in the commencement or completion of clinical trials could significantly impact our product development costs. We do not know whether anticipated clinical trials will begin on time or be completed on schedule, if at all. The commencement of clinical trials can be delayed for a variety of reasons, including, but not limited to, delays related to:

- obtaining regulatory approval to commence one or more clinical trials;
- reaching agreement on acceptable terms with prospective third-party contract research organizations (CROs) and clinical trial sites;
- manufacturing sufficient quantities of a product candidate or other materials necessary to conduct clinical trials;
- obtaining institutional review board approval to conduct one or more clinical trials at a prospective site;
- recruiting and enrolling patients to participate in one or more clinical trials; and
- the failure of our collaborators to adequately resource our product candidates due to their focus on other programs or as a result of general market conditions.

In addition, once a clinical trial has begun, it may be suspended or terminated by us, our collaborators, the institutional review boards or data safety monitoring boards charged with overseeing our clinical trials, the FDA, the EMA or comparable foreign authorities due to a number of factors, including:

- failure to conduct the clinical trial in accordance with regulatory requirements or clinical protocols;
- inspection of the clinical trial operations or clinical trial site by the FDA, the EMA or comparable foreign authorities resulting in the imposition of a clinical hold;
- unforeseen safety issues;

- lack of adequate funding to continue the clinical trials; and
- lack of patient enrollment in clinical studies.

If we experience delays in the completion, or the termination, of any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed, and our ability to commence sales and generate revenues from any of our product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs and slow down our product candidate development and approval process. Delays in completing our clinical trials could also allow our competitors to obtain marketing approval before we do or shorten the patent protection period during which we may have the exclusive right to commercialize our product candidates. Any of these occurrences may harm our business, financial condition and prospects significantly. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

If we experience delays in the enrollment of patients in our clinical trials, our receipt of necessary regulatory approvals could be delayed or prevented.

We may not be able to initiate or continue clinical trials for our product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA or other regulatory authorities. Patient enrollment, a significant factor in the timing of clinical trials, is affected by many factors, including the size and nature of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the trial, the design of the clinical trial, competing clinical trials and clinicians' and patients' perceptions as to the potential advantages of the drug being studied in relation to other available therapies, including any new drugs that may be approved for the indications we are investigating.

If we fail to enroll and maintain the number of patients for which the clinical trial was designed, the statistical power of that clinical trial may be reduced, which would make it harder to demonstrate that the product candidate being tested in such clinical trial is safe and effective. Additionally, enrollment delays in our clinical trials may result in increased development costs for our product candidates, which would cause our value to decline and limit our ability to obtain additional financing. Our inability to enroll a sufficient number of patients for any of our future clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether.

Our product candidates are subject to extensive regulation under the FDA, the EMA or comparable foreign authorities, which can be costly and time consuming, cause unanticipated delays or prevent the receipt of the required approvals to commercialize our product candidates.

The clinical development, manufacturing, labeling, storage, record-keeping, advertising, promotion, export, marketing and distribution of our product candidates are subject to extensive regulation by the FDA and other U.S. regulatory agencies, the EMA or comparable authorities in foreign markets. In the United States, neither we nor our collaborators are permitted to market our product candidates until we or our collaborators receive approval of an NDA from the FDA or receive similar approvals abroad. The process of obtaining these approvals is expensive, often takes many years, and can vary substantially based upon the type, complexity and novelty of the product candidates involved. Approval policies or regulations may change and may be influenced by the results of other similar or competitive products, making it more difficult for us to achieve such approval in a timely manner or at all. In addition, as a company, we have not previously filed NDAs with the FDA or filed similar applications with other foreign regulatory agencies. This

lack of experience may impede our ability to obtain FDA or other foreign regulatory agency approval in a timely manner, if at all, for our product candidates for which development and commercialization is our responsibility.

Despite the time and expense invested, regulatory approval is never guaranteed. The FDA, the EMA or comparable foreign authorities can delay, limit or deny approval of a drug candidate for many reasons, including:

- a drug candidate may not be deemed safe or effective;
- agency officials of the FDA, the EMA or comparable foreign authorities may not find the data from preclinical studies or clinical trials generated during development to be sufficient;
- the FDA, the EMA or comparable foreign authorities may not approve our third-party manufacturers' processes or facilities; or
- the FDA, the EMA or a comparable foreign authority may change their approval policies or adopt new regulations.

Our inability to obtain these approvals would prevent our product candidates from being commercialized.

Even if our product candidates receive regulatory approval in the United States, they may never receive approval outside of the United States.

In order to market any drug outside of the United States, compliance with numerous and varying regulatory requirements of other countries regarding safety and efficacy is required. Approval procedures vary among countries and can involve additional drug candidate testing and additional administrative review periods. The time required to obtain approval in other countries might differ from that required to obtain FDA approval. The regulatory approval process in other countries may include all of the risks detailed above regarding FDA approval in the United States as well as other risks. Regulatory approval in one country does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in others. Failure to obtain regulatory approval in other countries or any delay seeking or obtaining such approval would impair our ability to develop foreign markets for our product candidates.

Even if any of our product candidates receive regulatory approval, our product candidates may still face future development and regulatory difficulties.

If any of our product candidates receive regulatory approval, the FDA, the EMA or comparable foreign authorities may still impose significant restrictions on the indicated uses or marketing of the product candidates or impose ongoing requirements for potentially costly post-approval studies and trials. In addition, regulatory agencies subject a drug, its manufacturers and the manufacturers' facilities to continual review and periodic inspections. If a regulatory agency discovers previously unknown problems with a drug, including adverse events of unanticipated severity or frequency, or problems with the facility where the drug is manufactured, a regulatory agency may impose restrictions on that drug, our collaborators or us, including requiring withdrawal of the drug from the market. Our product candidates will also be subject to ongoing FDA, EMA or comparable foreign authorities' requirements for the labeling, packaging, storage, advertising, promotion, record-keeping and submission of safety and other post-market information on the

drug. If our product candidates fail to comply with applicable regulatory requirements, a regulatory agency may:

- issue warning or untitled letters, Forms 483 or other notices of possible violations;
- impose civil or criminal penalties or fines or seek disgorgement of revenue or profits;
- suspend any ongoing clinical trials;
- refuse to approve pending applications or supplements to approved applications filed by us or our collaborators;
- withdraw any regulatory approvals;
- impose restrictions on operations, including costly new manufacturing requirements, or shut down our manufacturing operations; or
- seize or detain drugs or require a recall of the drug.

We and our potential contract manufacturers are subject to significant regulation with respect to manufacturing our product candidates. The manufacturing facilities on which we will rely may not continue to meet regulatory requirements.

All entities involved in the preparation of drugs for clinical trials or commercial sale, including our potential contract manufacturers for our product candidates, are subject to extensive regulation. Components of a finished drug product approved for commercial sale or used in clinical trials must be manufactured in accordance with cGMP. These regulations govern manufacturing processes and procedures and the implementation and operation of quality systems to control and assure the quality of investigational drugs and drugs approved for sale. Poor control of production processes can lead to the introduction of contaminants or to inadvertent changes in the properties or stability of our product candidates that may not be detectable in final testing. We or our potential contract manufacturers must supply all necessary documentation in support of an NDA or marketing authorization application ("**MAA**") on a timely basis and must adhere to cGMP regulations enforced by the FDA, the EMA or comparable foreign authorities through their facilities inspection program. The facilities and quality systems of some or all of our potential third-party contractors must pass a pre-approval inspection for compliance with the applicable regulations as a condition of regulatory approval of our product candidates or any of our other potential product candidates. In addition, the regulatory authorities may, at any time, audit or inspect a manufacturing facility involved with the preparation of our product candidates or the associated quality systems for compliance with the regulations applicable to the activities being conducted. Although we plan to oversee the contract manufacturers, we cannot control the manufacturing process of, and will be completely dependent on, our contract manufacturing partners for compliance with applicable regulatory requirements. If these facilities do not pass a pre-approval plant inspection, regulatory approval of the product candidates may not be granted or may be substantially delayed until any violations are corrected to the satisfaction of the regulatory authority, if ever.

The regulatory authorities also may, at any time following approval of a drug for sale, audit the manufacturing facilities of our potential third-party contractors. If any such inspection or audit identifies a failure to comply with applicable regulations or if a violation of our drug specifications or applicable regulations occurs independent of such an inspection or audit, we or the relevant regulatory authority may require remedial measures that may be costly or time consuming for us or a third party to implement, and

that may include the temporary or permanent suspension of a clinical trial or commercial sales or the temporary or permanent closure of a facility. Any such remedial measures imposed upon us or third parties with whom we may contract could materially harm our business, financial condition and results of operations.

If we or any of our potential third-party manufacturers fail to maintain regulatory compliance, the FDA, the EMA or comparable foreign authorities can impose regulatory sanctions including, among other things, refusal to approve a pending application for a drug candidate, withdrawal of an approval, or suspension of production. As a result, our business, financial condition and results of operations may be materially and adversely affected.

Additionally, if supply from one manufacturer is interrupted, an alternative manufacturer would need to be qualified through an NDA supplement or MAA variation, or equivalent foreign regulatory filing, which could result in further delay. The regulatory agencies may also require additional studies or trials if a new manufacturer is relied upon for commercial production. Switching manufacturers may involve substantial costs and is likely to result in a delay in our desired clinical and commercial timelines.

These factors could cause us to incur higher costs and could cause the delay or termination of clinical trials, regulatory submissions, required approvals, or commercialization of our product candidates. Furthermore, if our suppliers fail to meet contractual requirements and we are unable to secure one or more replacement suppliers capable of production at a substantially equivalent cost, our clinical trials may be delayed or we could lose potential revenue.

Enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our product candidates and could have a material adverse effect on our business.

In the United States, the EU and other foreign jurisdictions, there have been a number of legislative and regulatory changes to the healthcare system that could affect our future results of operations. In particular, there have been and continue to be a number of initiatives at the U.S. federal and state levels that seek to reduce healthcare costs and improve the quality of healthcare. For example, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively the ACA, substantially changed the way healthcare is financed by both governmental and private insurers, and significantly impacted the U.S. pharmaceutical industry.

Among the provisions of the ACA of importance to our product candidates are the following:

- expansion of eligibility criteria for Medicaid programs, a Federal and state program which extends healthcare to low income individuals and other groups, by, among other things, allowing states to offer Medicaid coverage to certain individuals and adding new eligibility categories for certain individuals with income at or below 133% of the federal poverty level, thereby potentially increasing a manufacturer's Medicaid rebate liability;
- expansion of manufacturers' rebate liability under the Medicaid Drug Rebate Program, which requires that drug manufacturers provide rebates to states in exchange for state Medicaid coverage for most of the manufacturers' drugs by increasing the minimum rebate for both branded and generic drugs and revising the definition of "average manufacturer price," or AMP, for calculating and reporting Medicaid drug rebates on outpatient prescription drug prices and extending rebate

liability to prescriptions for individuals enrolled in Medicare Advantage plans (i.e., a type of Medicare healthcare plan offered by private companies);

- a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for products that are inhaled, infused, instilled, implanted or injected;
- expansion of the types of entities eligible for the 340B drug discount program, which requires drug manufacturers to provide outpatient drugs to eligible healthcare organizations and covered entities at significantly reduced prices;
- establishment of the Medicare Part D coverage gap discount program, which requires manufacturers to provide a 50% point-of-sale-discount (increased to 70% pursuant to the Bipartisan Budget Act of 2018, or BBA, effective as of January 1, 2019) off the negotiated price of applicable products to eligible beneficiaries during their coverage gap period as a condition for the manufacturers' outpatient products to be covered under Medicare Part D;
- creation of a new non-profit, nongovernmental institute, called the Patient-Centered Outcomes Research Institute, to oversee, identify priorities in and conduct comparative clinical effectiveness research, along with funding for such research; and
- establishment of the Center for Medicare and Medicaid Innovation within Centers for Medicare & Medicaid, or CMS, to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription product spending.

Since its enactment, there have been numerous judicial, administrative, executive, and legislative challenges to certain aspects of the ACA, and we expect there will be additional challenges and amendments to the ACA in the future. Various portions of the ACA are currently undergoing legal and constitutional challenges in the U.S. Supreme Court; and Congress has introduced several pieces of legislation aimed at significantly revising or repealing the ACA. It is unclear whether the ACA will be overturned, repealed, replaced, or further amended. We cannot predict what affect further changes to the ACA would have on our business.

Other legislative changes have been proposed and adopted since the ACA was enacted. These new laws may result in additional reductions in Medicare and other healthcare funding, which could have a material adverse effect on our financial operations. For example, the Budget Control Act of 2011, among other things, created measures for spending reductions by Congress. The Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions of Medicare payments to providers of 2% per fiscal year, and, due to subsequent legislative amendments, will remain in effect through 2030 unless additional Congressional action is taken. However, these Medicare sequester reductions have been suspended from May 1, 2020 through December 31, 2020 due to the COVID-19 pandemic. On January 2, 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. In addition, the BBA amended the ACA, effective January 1, 2019, by increasing the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D and closing the coverage gap in most Medicare drug plans, commonly referred to as the "donut hole".

The Biden Administration's proposed Build Back Better Act would impact health care in the United States in a variety of ways, including expanding health care coverage by permanently funding the Children's Health

Insurance Program, expanding eligibility for coverage through the Health Insurance Marketplaces created under the ACA for those under 138% of the federal poverty level, and adding hearing benefits to the traditional Medicare program. We cannot predict what affect enactment of these proposals would have on our business.

New laws and additional health reform measures may result in additional reductions in Medicare and other healthcare funding, which may adversely affect customer demand and affordability for our product candidates and, accordingly, the results of our financial operations.

Changes in government funding for the FDA and other government agencies could hinder their ability to hire and retain key leadership and other personnel, properly administer drug innovation, or prevent our product candidates from being developed or commercialized, which could negatively impact our business, financial condition and results of operations.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including budget and funding levels, ability to hire and retain key personnel, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of other agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

In December 2016, the 21st Century Cures Act was signed into law. This new legislation is designed to advance medical innovation and empower the FDA with the authority to directly hire positions related to drug and device development and review. However, government proposals to reduce or eliminate budgetary deficits may include reduced allocations to the FDA and other related government agencies. These budgetary pressures may result in a reduced ability by the FDA to perform their respective roles; including the related impact to academic institutions and research laboratories whose funding is fully or partially dependent on both the level and timing of funding from government sources.

Disruptions at the FDA and other agencies may also slow the time necessary for our product candidates to be reviewed or approved by necessary government agencies, which could adversely affect our business, financial condition and results of operations.

If we face allegations of noncompliance with the law and encounter sanctions, our reputation, revenues and liquidity may suffer, and any of our product candidates that are ultimately approved for commercialization could be subject to restrictions or withdrawal from the market.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response, and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to generate revenues from any of our product candidates that are ultimately approved for commercialization. If regulatory sanctions are applied or if regulatory approval is withdrawn, our business, financial condition and results of operations will be adversely affected. Additionally, if we are unable to generate revenues from drug sales, our potential for achieving profitability will be diminished and our need to raise capital to fund our operations will increase.

ELIGIBILITY FOR INVESTMENT

In the opinion of Ryan Shewchuk Professional Corporation, special tax counsel to the Company, and Fasken Martineau DuMoulin LLP, legal counsel to the Agent, based on the provisions of the Tax Act and all proposals

to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, the Unit Shares, the Unit Warrants and the Warrant Shares, if issued on the date hereof, will be qualified investments on the date hereof for a Registered Plan provided that, (i) in case of the Unit Shares and the Warrant Shares, such shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the Exchange) or the Company is otherwise a "public corporation" within the meaning of the Tax Act and, (ii) in the case of the Unit Warrants, provided further that the Company is not, and deals at arm's length with each person that is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of such Registered Plan.

The Company has applied to list the Unit Shares on the CSE. The CSE has not approved the listing of the Common Shares. Listing will be subject to the Company fulfilling all of the requirements of the CSE, including meeting all minimum listing requirements. The Company will rely upon the Exchange to unconditionally list the Common Shares on the Exchange as of the day before the Closing Date and otherwise proceed in the manner described above to render the Unit Shares issued on the Closing Date to be listed on a "designated stock exchange" within the meaning of the Tax Act at the time of issuance. If the Exchange does not proceed with the listing as anticipated, the Unit Shares, Unit Warrants and Warrant Shares will not be "qualified investments" for the purposes of the Tax Act at the Closing Date.

Notwithstanding that the Unit Shares, Unit Warrants and Warrant Shares may be a qualified investment for a trust governed by an RRSP, RRIF, RESP, RDSP, or TFSA (each, a "**Specified Plan**"), the annuitant of an RRSP or RRIF, the subscriber under an RESP or the holder of a TFSA or RDSP, as the case may be, (the "**Controlling Individual**") will be subject to a penalty tax in respect of Unit Shares, Unit Warrants and Warrant Shares held in the Specified Plan if the Unit Shares, Unit Warrants and Warrant Shares are a "prohibited investment" (as defined in the Tax Act) for the particular Specified Plan. The Unit Shares, Unit Warrants and Warrant Shares will be a "prohibited investment" for a Specified Plan if the Controlling Individual (i) does not deal at arm's length with the Company for purposes of the Tax Act, or (ii) has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Company. Generally, a Controlling Individual will not be considered to have a "significant interest" in the Company provided that the Controlling Individual, together with persons with whom the Controlling Individual does not deal at arm's length, does not own, directly or indirectly, at any time in the year 10% or more of the issued shares of any class of the Company or of any corporation related to the Company (for purposes of the Tax Act). In addition, the Unit Shares, Unit Warrants and Warrant Shares will not be a "prohibited investment" if the Unit Shares, Unit Warrants and Warrant Shares are "excluded property" as defined in the Tax Act for a Specified Plan.

Investors who are considering holding Unit Shares, Unit Warrants or Warrant Shares within a Specified Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Ryan Shewchuk Professional Corporation, special tax counsel to the Company, and Fasken Martineau DuMoulin LLP, legal counsel to the Agent, the following is, as of the date hereof, a summary of certain of the principal Canadian federal income tax considerations pursuant to the Tax Act that generally apply to a purchaser of Units (as beneficial owner) who, at all relevant times and for purposes of the Tax Act, (i) acquires and holds the Unit Shares, the Warrants and the Warrant Shares as capital property, (ii) deals at arm's length with the Company, the Agent and any subsequent purchaser of such securities, and (iii) is not affiliated with the Company, the Agent or any subsequent purchaser of such securities (a "**Holder**"). Generally, the Unit Shares, the Warrants and the Warrant Shares will be considered to be capital

property to a Holder unless the Holder holds such securities in the course of carrying on a business or has acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (a) that is a "financial institution", as defined in the Tax Act, for purposes of the mark-to-market rules therein; (b) that is a "specified financial institution" as defined in the Tax Act; (c) an interest in which is a "tax shelter investment" as defined in the Tax Act; (d) that has made a functional currency reporting election under the Tax Act; (e) that has entered or will enter into a "derivative forward agreement" or a "synthetic disposition arrangement", as defined in the Tax Act, with respect to the Shares, the Warrants or the Warrant Shares; (f) that is exempt from tax under Part I of the Tax Act; (g) that is a partnership; or (h) that receives dividends on Shares or Warrant Shares under or as part of a "dividend rental arrangement", as defined in the Tax Act. Additionally, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of Units. Such Holders should consult their own tax advisors.

This summary does not address the possible application of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act to a Holder that (i) is a corporation resident in Canada and (ii) is, or becomes, or does not deal at arm's length with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of the Unit Shares or Warrant Shares, controlled by a non-resident corporation, individual or trust (or a group of such persons that do not deal at arm's length) for the purposes of such rules. Such Holders should consult their own tax advisors with respect to the possible application of these rules.

This summary is based upon the current provisions of the Tax Act in force as of the date hereof, specific proposals to amend the Tax Act (the "**Proposed Amendments**") which have been announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**"). This summary assumes that the Proposed Amendments will be enacted in the form proposed and does not otherwise take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed herein. No assurances can be given that such Proposed Amendments will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units. The following description of income tax matters is of a general nature only and is not intended to be, nor should it be construed to be, legal or income tax advice to any particular Holder. Holders are urged to consult their own tax advisors with respect to the tax consequences applicable to them based on their own particular circumstances.

The Company has taken the position that as a result of the Reorganization it will be treated as a U.S. domestic corporation for U.S. federal income tax purposes, notwithstanding that the Company is formed and organized under the laws of British Columbia, Canada. See "*Risk Factors – Treatment of Company and Shareholders for U.S. and Canadian Tax Purposes*".

Allocation of Purchase Price for Units

A Holder who acquires Units will be required to allocate the purchase price of each Unit between the Unit Share and the Unit Warrant comprising a Unit on a reasonable basis in order to determine their respective costs for purposes of the Tax Act.

For its purposes, the Company intends to allocate $0.507 of the issue price of each Unit for the issue of each Unit Share and $0.093 of the issue price of each Unit for the issue of each Unit Warrant. Although the Company believes that this allocation is reasonable, it is not binding on the CRA or the Holder and the CRA may not be in agreement with such allocation. Counsel express no opinion with respect to such allocation.

Adjusted Cost Base of Shares and Warrants

The adjusted cost base to a Holder of a Unit Share acquired pursuant to the Offering will be determined by averaging the cost of that Unit Share with the adjusted cost base (determined immediately before the acquisition of the Unit Share) of all other Common Shares held as capital property by the Holder immediately prior to such acquisition.

The adjusted cost base to a Holder of a Unit Warrant acquired pursuant to the Offering will be determined by averaging the cost of that Unit Warrant with the adjusted cost base (determined immediately before the acquisition of the Unit Warrant) of all other Unit Warrants held as capital property by the Holder immediately prior to such acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Unit Warrant to acquire a Warrant Share. When a Unit Warrant is exercised, the Holder's cost of the Warrant Share acquired thereunder will equal the aggregate of such Holder's adjusted cost base of the Unit Warrant exercised plus the exercise price paid for such Warrant Share. The Holder's adjusted cost base of such Warrant Share so acquired will be determined by averaging the cost of the Warrant Share with the adjusted cost base (determined immediately before the acquisition of the Warrant Share) of all other Common Shares held as capital property by such Holder as capital property immediately prior to such acquisition.

Resident Holders

The following section of this summary generally applies only to a Holder who, for purposes of the Tax Act, is or is deemed to be resident in Canada at all relevant times (a "**Resident Holder**"). Certain Resident Holders whose Unit Shares and Warrant Shares might not constitute capital property may, in certain circumstances, make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Unit Shares and Warrant Shares, and every other "Canadian security" (as defined in the Tax Act), held by such Resident Holder in the taxation year of the election and all subsequent taxation years to be capital property. This election does not apply to the Unit Warrants. Resident Holders should consult their own tax advisors regarding this election.

Expiry of Unit Warrants

If a Unit Warrant expires unexercised, the Resident Holder will generally realize a capital loss equal to the adjusted cost base of such Unit Warrant to the Resident Holder immediately before its expiry. The tax

treatment of capital gains and capital losses is discussed below under the subheading "*Capital Gains and Capital Losses*".

Dividends on Unit Shares and Warrant Shares

Dividends received or deemed to be received in a taxation year on Unit Shares or Warrant Shares are required to be included in computing the Resident Holder's income for the year. In the case of a Resident Holder who is an individual (and certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules under the Tax Act that apply to "taxable dividends" received from "taxable Canadian corporations", including an enhanced gross- up and dividend tax credit that applies to any dividends designated as "eligible dividends" by the Company. A dividend payor's ability to make such designations may be limited under the Tax Act, and the Company has not made any commitments in this regard.

Dividends received or deemed to be received on Unit Shares or Warrant Shares by a Resident Holder that is a corporation will be included in computing the Resident Holder's income but will generally be deductible in computing its taxable income. A Resident Holder that is a "private corporation" or a "subject corporation" (each as defined in the Tax Act) may be liable to pay a tax under Part IV of the Tax Act (refundable in certain circumstances) on dividends received or deemed to be received on the Unit Shares and Warrant Shares in a taxation year to the extent that such dividends are deductible in computing the Resident Holder's taxable income for the year.

In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation on Unit Shares or Warrant Shares as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

As the Company is treated as a U.S. corporation for U.S. federal income tax purposes, a Resident Holder may be subject to United States withholding tax on dividends received on the Unit Shares or the Warrant Shares. Any United States withholding tax paid by or on behalf of a Resident Holder in respect of dividends received on the Units Shares or Warrant Shares may be eligible for foreign tax credit or deduction treatment where applicable under the Tax Act. Generally, a foreign tax credit in respect of a tax paid to a particular foreign country is limited to the Canadian tax otherwise payable in respect of income sourced in that country. Dividends received on the Unit Shares and Warrant Shares by a Resident Holder may not be treated as income sourced in the United States for these purposes. Resident Holders should consult their own tax advisors with respect to the availability of any foreign tax credits or deductions under the Tax Act in respect of any United States withholding tax applicable to dividends paid on the Unit Shares or the Warrant Shares.

Disposition of the Unit Shares, the Unit Warrants and the Warrant Shares

A Resident Holder who disposes or is deemed to dispose of a Unit Warrant (other than on the exercise or expiry thereof), a Unit Share, or a Warrant Share (other than certain dispositions of a Unit Share or a Warrant Share to the Company) will generally realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or less) than the adjusted cost base of such security to the Resident Holder immediately before the disposition or deemed disposition. The tax treatment of capital gains and capital losses is discussed below under the subheading "*Capital Gains and Capital Losses*".

Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized in the year by such Resident Holder. Allowable capital losses in excess of taxable capital gains realized in a particular taxation year may be applied to reduce net taxable capital gains realized in any of the three prior years or in any subsequent year in the circumstances and to the extent provided in the Tax Act.

A capital loss realized on the disposition of a Unit Share or Warrant Share by a Resident Holder that is a corporation may in certain circumstances be reduced by the amount of dividends that have been previously received or deemed to have been received by the Resident Holder on such share or shares substituted for such share to the extent and in the circumstances described by the Tax Act. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Unit Shares or Warrant Shares, directly or indirectly, through a partnership or trust. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the year a "Canadian-controlled private corporation" (as defined in the Tax Act) may also be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act) for the year, which will generally include taxable capital gains.

As the Company is treated as a U.S. corporation for U.S. federal income tax purposes, a Resident Holder may be subject to United States tax on a gain realized on the disposition of Unit Shares or Warrant Shares if the Company is classified as a United States real property holding corporation under the U.S. Internal Revenue Code. United States tax, if any, levied on any gain realized on a disposition of a Unit Share or a Warrant Share may be eligible for a foreign tax credit under the Tax Act to the extent and under the circumstances described in the Tax Act. Generally, a foreign tax credit in respect of a tax paid to a particular foreign country is limited to the Canadian tax otherwise payable in respect of income sourced in that country. Gains realized on the disposition of a Unit Share or a Warrant Share by a Resident Holder may not be treated as income sourced in the United States for these purposes. Resident Holders should consult their own tax advisors with respect to the availability of a foreign tax credit, having regard to their own particular circumstances.

Alternative Minimum Tax

Capital gains realized and taxable dividends received or deemed to be received by a Resident Holder that is an individual (and certain trusts) may affect the Resident Holder's liability to pay alternative minimum tax under the Tax Act. Resident holders should consult their own tax advisors with respect to the application of alternative minimum tax.

Non-Resident Holders

The following section of this summary generally applies only to a Holder who, at all relevant times and for purposes of the Tax Act, is not resident or deemed to be resident in Canada, and does not use or hold the Unit Shares, the Warrants or the Warrant Shares in the course of a business carried on or deemed to be carried on in Canada (a "**Non- Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or that

is an "authorized foreign bank" (as defined in the Tax Act). Such Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on the Unit Shares or Warrant Shares will generally be subject to Canadian withholding tax at the rate of 25% on the gross amount of such dividend but subject to reduction under the provisions of an applicable tax treaty or convention. Under the *Canada United States Tax Convention* (1980), as amended (the "**Treaty**"), the rate of withholding tax on such dividends paid or credited to a Non-Resident Holder who is a resident of the United States and the beneficial owner of the dividend for purposes of the Treaty and fully entitled to the benefits under the Treaty is generally reduced to 15% of the gross amount of the dividend. Non-Resident Holders should consult their own tax advisors in this regard.

Disposition of the Unit Shares, the Warrants and the Warrant Shares

A Non-Resident Holder who disposes, or is deemed to have disposed, of a Unit Share, Warrant or Warrant Share will not be subject to income tax under the Tax Act in respect of any capital gain realized on such disposition or deemed disposition unless, at the time of such disposition or deemed disposition, the Unit Share, Warrant or Warrant Share, as the case may be, is or is deemed to be "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty or convention.

Provided that the Unit Shares and Warrant Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the CSE) at the time of disposition, the Unit Shares, the Warrants and the Warrant Shares will generally not constitute "taxable Canadian property" of a Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding the disposition, the following two conditions are met concurrently: (a) one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm's length, and/or (iii) partnerships in which the Non-Resident Holder or a person described in (ii) held a membership interest (either directly or indirectly through one or more partnerships), owned 25% or more of the issued shares of any class or series of the capital stock of the Company; and (b) more than 50% of the fair market value of the Unit Shares or Warrant Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act) and/or options in respect of, interests in, or for civil law purposes, rights in, any such property, whether or not such property exists. Notwithstanding the foregoing, the Unit Shares, the Warrants and the Warrant Shares may be deemed to be "taxable Canadian property" to a Non-Resident Holder for purposes of the Tax Act in certain circumstances.

A Non-Resident Holder's capital gain (or capital loss) in respect of the Unit Shares, the Warrants and the Warrant Shares that constitute or are deemed to constitute "taxable Canadian property" (and are not "treaty-protected property" as defined in the Tax Act) will generally be computed in the manner described above under the subheading *"Resident Holders" - "Disposition of the Unit Shares, the Warrants and the Warrant Shares"*.

Non-Resident Holders whose Unit Shares, Warrants or Warrant Shares may be "taxable Canadian property" should consult their own tax advisors.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date of this Prospectus, a general summary of the material U.S. federal income tax consequences of the purchase, ownership, and disposition of the Units, Unit Shares and Warrants, but does not purport to be a complete analysis of all the potential tax consequences relating thereto. Shares received upon the exercise of a Warrant are referred to as Unit Shares in this summary. This summary is based on the Internal Revenue Code of 1986, as amended (the "**U.S. Tax Code**"), the U.S. Treasury Regulations promulgated thereunder, the United States-Canada tax treaty as in effect on the date of the Offering, and administrative rulings and judicial decisions, all as in effect on the date hereof, and all of which are subject to change or differing interpretations, possibly on a retroactive basis. The Company has not sought and will not seek a ruling from the U.S. Internal Revenue Service (the "**IRS**") regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership or disposition of Unit Shares and Warrants. This summary is limited to holders that hold the Unit Shares and Warrants that comprise the Units as capital assets within the meaning of Section 1221 of the U.S. Tax Code (i.e., generally, as property held for investment purposes). This summary does not apply to holders that have special tax situations, including:

- Dealers in securities or currencies;
- Traders in securities;
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;
- Persons holding Unit Shares or Warrants as part of a conversion, constructive sale, wash sale or other integrated transaction or a hedge, straddle or synthetic security;
- Persons subject to the alternative minimum tax;
- Certain former citizens or long-term residents of the United States;
- Foreign governments or international organizations;
- Financial institutions;
- Controlled foreign corporations and passive foreign investment companies and shareholders of such corporations;
- Corporations that accumulate earnings to avoid U.S. federal income tax;
- Real estate investment trusts;
- Insurance companies;
- Regulated investment companies and shareholders of such companies;
- Partnerships and other pass-through entities and owners of such entities;
- U.S. Holders that are subject to taxing jurisdictions other than, or in addition, to, the United States;

- Non-U.S. Holders which are corporations organized outside the U.S., any state thereof or the District of Columbia that are nonetheless treated as U.S. taxpayers for U.S. federal income tax purposes;

- Entities that are tax-exempt for U.S. federal income tax purposes and retirement plans, individual retirement accounts and tax-deferred accounts; and

- Persons subject to special tax accounting rules.

The U.S. federal income tax treatment of a partner in a partnership (including an entity treated as a partnership for U.S. federal tax purposes) that holds the Unit Shares or Warrants generally will depend on the status of the partner and the activities of the partnership, and such partnerships and partners should consult their own tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership, and disposition of the Units, Unit Shares and Warrants.

This summary does not discuss all the aspects of U.S. federal income taxation that may be relevant to a holder considering the holder's particular investment or other circumstances. In addition, this summary does not discuss any U.S. state or local income, foreign income, estate, gift, generation-skipping, U.S. federal alternative minimum, Medicare tax on net investment income, or other non-income tax consequences or (except as specifically addressed herein) the effect of any tax treaty. Except as discussed herein, this summary does not discuss tax reporting matters.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. EACH SHAREHOLDER SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF UNIT SHARES AND WARRANTS ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Allocation of Offering Price

Each Unit should be treated for U.S. federal income tax purposes as an investment unit consisting of one Unit Share and one Warrant, with each Warrant to acquire one Unit Share. The purchase price paid for each Unit must be allocated between the Unit Shares and the Warrant based on their relative fair market values. For U.S. federal income tax purposes, each holder of a Unit must allocate the purchase price paid by such holder for such Unit between the one Unit Share and the one Warrant based on the relative fair market value of each at the time of issuance. Under U.S. federal income tax law, each investor must make his or her own determination of such value based on all the relevant facts and circumstances. Therefore, we strongly urge each investor to consult his, her or its tax advisor regarding the determination of value for these purposes. The price allocated to each Unit Share and Warrant should constitute the shareholder's initial tax basis in such Unit Share or Warrant. Any disposition of a Unit should be treated for U.S. federal income tax purposes as a disposition of the Unit Share and Warrant comprising the Unit, and the amount realized on the disposition should be allocated between the Unit Share and Warrant based on their respective relative fair market values at the time of disposition (as determined by each such holder of Units based on all relevant facts and circumstances). The separation of the Unit Share and the Warrant constituting a Unit should not be a taxable event for U.S. federal income tax purposes.

The foregoing treatment of the Units, the Unit Shares and Warrants and a holder's purchase price allocation are not binding on the IRS or the courts. Because there are no authorities that directly address instruments that are similar to the Units, no assurance can be given that the IRS or the courts will agree with the

characterization described above or the discussion below. Accordingly, each prospective investor is urged to consult its tax advisor regarding the tax consequences of an investment in a Unit (including alternative characterizations of a Unit).

Tax Classification of the Company as a U.S. Domestic Corporation

Although the Company is a Canadian corporation, the Company is classified as a U.S. domestic corporation for United States federal income tax purposes under Section 7874(b) of the U.S. Tax Code and will be subject to United States federal income tax on its worldwide income. The Company anticipates that it will experience a number of significant and complicated United States federal income tax consequences as a result of being treated as a U.S. domestic corporation for United States federal income tax purposes. It is anticipated that such U.S. tax treatment will continue indefinitely and that Unit Shares will be treated indefinitely as shares in a U.S. domestic corporation for United States federal income tax purposes.

This summary does not attempt to describe all such U.S. federal income tax consequences. Section 7874 of the U.S. Tax Code and the Treasury Regulations promulgated thereunder do not address all the possible tax consequences that arise from the Company being treated as a U.S. domestic corporation for U.S. federal income tax purposes. Accordingly, there may be additional or unforeseen U.S. federal income tax consequences to the Company that are not discussed in this summary.

Generally, the Company will be subject to U.S. federal income tax on its worldwide taxable income (regardless of whether such income is "U.S. source" or "foreign source") and will be required to file a U.S. federal income tax return annually with the IRS. The Company anticipates that it will also be subject to tax in Canada. It is unclear how the foreign tax credit rules under the U.S. Tax Code will operate in certain circumstances, given the treatment of the Company as a U.S. domestic corporation for U.S. federal income tax purposes and the taxation of the Company in Canada. Accordingly, it is possible that the Company will be subject to double taxation with respect to all or part of its taxable income. The remainder of this summary assumes that the Company will be treated as a U.S. domestic corporation for U.S. federal income tax purposes.

Tax Considerations for U.S. Holders

Definition of a U.S. Holder

For purposes of this discussion, a "U.S. Holder" is any beneficial owner of Unit Shares and Warrants that is, for U.S. federal income tax purposes:

- an individual who is a U.S. resident (discussed below) or U.S. citizen;
- a corporation, including any entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the U.S., any state within the U.S. or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that either (1) is subject to the primary supervision of a U.S. court and the control of one or more ''United States persons'' (within the meaning of Section 7701(a)(30) of the U.S. Tax Code), or (2) has a valid election in effect to be treated as an United States person for U.S. federal income tax purposes.

With respect to the first bullet point above, an individual is generally treated as a resident of the U.S. in any calendar year for U.S. federal income tax purposes if the individual either (i) is the holder of a green card, generally during any point of such year, or (ii) is present in the U.S. for at least 31 days in that calendar year and for an aggregate of at least 183 days during the three-year period ending on the last day of the current calendar year. For purposes of the 183-day calculation (often referred to as the Substantial Presence Test), all of the days present in the U.S. during the current year, one-third of the days present in the U.S. during the immediately preceding year, and one-sixth of the days present in the second preceding year are counted. Residents are generally treated for U.S. federal income tax purposes as if they were U.S. citizens.

Distributions

Distributions of cash or property on Unit Shares (including any constructive distributions on Unit Shares with respect to a Warrant) will constitute dividends for U.S. federal income tax purposes to the extent paid from the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Dividends will generally be taxable to a non-corporate U.S. Holder at the rates applicable to long-term capital gains, provided that such holder meets certain holding period and other requirements. Distributions in excess thereof will first constitute a return of capital and be applied against and reduce a U.S. Holder's adjusted tax basis in its Unit Shares, but not below zero, and thereafter be treated as capital gain and will be treated as described below under "Sale or Other Taxable Disposition."

Dividends received by corporate U.S. Holders may be eligible for a dividends received deduction, subject to certain restrictions relating to, among others, the corporate U.S. Holder's taxable income, holding period and debt financing.

Sale or Other Taxable Disposition

Upon the sale or other taxable disposition of Unit Shares or Warrants, a U.S. Holder will generally recognize capital gain or loss equal to the difference between (i) the amount realized by such U.S. Holder in connection with such sale or other taxable disposition, and (ii) such U.S. Holder's adjusted tax basis in such Unit Shares or Warrants. Generally, such gain or loss will be capital gain or loss. Such capital gain or loss will generally be long-term capital gain or loss if the U.S. Holder's holding period respecting such stock is more than twelve months. U.S. Holders who are individuals are currently eligible for preferential rates of taxation respecting their long-term capital gains. Deductions for capital losses are subject to limitations.

Exercise or Lapse of Warrants

Upon the exercise of a Warrant, a U.S. Holder will not recognize gain or loss and will have a tax basis in the Unit Shares received equal to the U.S. Holder's tax basis in the Warrant plus the exercise price of the Warrant. The holding period for the Unit Shares received pursuant to the exercise of a Warrant will begin on the date following the date of exercise (or possibly the date of exercise) and will not include the period during which the U.S. Holder held the Warrant. If a Warrant is allowed to lapse unexercised, a U.S. Holder will recognize a capital loss in an amount equal to its tax basis in the Warrant. Such loss will be long-term capital loss if the Warrant has been held for more than one year as of the date the Warrant lapsed. The deductibility of capital losses is subject to certain limitations.

Adjustment to Exercise Price

Under Section 305 of the Code, an adjustment to the number of Unit Shares that will be issued on the exercise of the Warrants, or an adjustment to the exercise price of the Warrants, may be treated as a

constructive distribution to a U.S. Holder of the Warrants if, and to the extent that, such adjustment has the effect of increasing such U.S. Holder's proportionate interest in the "earnings and profits" or the Company's assets, depending on the circumstances of such adjustment (for example, if such adjustment is to compensate for a distribution of cash or other property to the shareholders). Adjustments to the exercise price of Warrants made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing dilution of the interest of the holders of the Warrants should generally not be considered to result in a constructive distribution. Any such constructive distribution would be taxable whether there is an actual distribution of cash or other property.

Foreign Tax Credit Limitations

The Company is subject to tax both as a U.S. domestic corporation and as a Canadian corporation; accordingly, a U.S. Holder may pay, through withholding, Canadian tax, as well as U.S. federal income tax, with respect to dividends paid on its Unit Shares. For U.S. federal income tax purposes, a U.S. Holder may elect for any taxable year to receive either a credit or a deduction for all foreign income taxes paid by the holder during the year. Complex limitations apply to the foreign tax credit, including a general limitation that the credit cannot exceed the proportionate share of a taxpayer's U.S. federal income tax that the taxpayer's foreign source taxable income bears to the taxpayer's worldwide taxable income. In applying this limitation, items of income and deduction must be classified, under complex rules, as either foreign source or U.S. source. The status of the Company as a U.S. domestic corporation for U.S. federal income tax purposes will cause dividends paid by the Company to be treated as U.S. source rather than foreign source for this purpose. As a result, a foreign tax credit may be unavailable for any Canadian tax paid on dividends received from the Company. Similarly, to the extent a sale or disposition of the Unit Shares by a U.S. Holder results in Canadian tax payable by the U.S. Holder (for example, because the Unit Shares constitute taxable Canadian property within the meaning of the Tax Act), a U.S. foreign tax credit may be unavailable to the U.S. Holder for such Canadian tax. In each case, however, the U.S. Holder should be able to take a deduction for the U.S. Holder's Canadian tax paid, provided that the U.S. Holder has not elected to credit other foreign taxes during the same taxable year.

The foreign tax credit rules are complex, and each U.S. Holder should consult its own tax advisor regarding these rules.

Foreign Currency

The amount of any distribution paid to a U.S. Holder in foreign currency, or the amount of proceeds paid in foreign currency on the sale, exchange or other taxable disposition of Unit Shares and Warrants, generally will be equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt (regardless of whether such foreign currency is converted into U.S. dollars at that time). A U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who converts or otherwise disposes of the foreign currency after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Holders who use the accrual method of tax accounting. Each U.S. Holder should consult its own U.S. tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of foreign currency.

Information Reporting and Backup Withholding

U.S. backup withholding (currently at a rate of 24%) is imposed upon certain payments to persons that fail (or are unable) to furnish the information required pursuant to U.S. information reporting requirements. Distributions to U.S. Holders will generally be exempt from backup withholding, provided the U.S. Holder meets applicable certification requirements, including providing a U.S. taxpayer identification number on a properly filled out IRS Form W-9, or otherwise establishing an exemption. The Company must report annually to the IRS and to each U.S. Holder the amount of distributions and dividends paid to that U.S. Holder and the proceeds from the sale or other disposition of Unit Shares, unless such U.S. Holder is an exempt recipient.

Backup withholding does not represent an additional tax. Any amounts withheld from a payment to a U.S. Holder under the backup withholding rules will generally be allowed as a credit against such U.S. Holder's U.S. federal income tax liability, and may entitle such U.S. Holder to a refund, provided the required information and returns are timely furnished by such U.S. Holder to the IRS.

Tax Considerations for Non-U.S. Holders

Definition of a Non-U.S. Holder

For purposes of this discussion, a "Non-U.S. Holder" is any beneficial owner of Unit Shares and Warrants that is neither a "U.S. Holder" nor an entity treated as a partnership for U.S. federal income tax purposes.

Distributions

Distributions of cash or property on Unit Shares (including any constructive distributions on Unit Shares with respect to a Warrant) will constitute dividends for U.S. federal income tax purposes to the extent paid from the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess thereof will first constitute a return of capital and be applied against and reduce a Non-U.S. Holder's adjusted tax basis in its Unit Shares, but not below zero, and thereafter be treated as capital gain and will be treated as described below under "Sale or Other Taxable Disposition".

Subject to the discussions below under "Backup Withholding" and under FATCA (defined herein), any dividend paid to a Non-U.S. Holder of Unit Shares that is not effectively connected with the Non-U.S. Holder's conduct of a trade or business within the U.S. will be subject to U.S. federal withholding tax at a rate of 30% or such lower rate as may be specified under an applicable income tax treaty. To receive a reduced treaty rate, a Non-U.S. Holder must provide its financial intermediary with an IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or an appropriate successor form), properly certifying such holder's eligibility for the reduced rate. If a Non-U.S. Holder holds Unit Shares through a financial institution or other agent acting on the Non-U.S. Holder's behalf, the Non-U.S. Holder will be required to provide appropriate documentation to such agent, and the Non-U.S. Holder's agent will then be required to provide such (or a similar) certification to us, either directly or through other intermediaries. A Non-U.S. Holder that does not timely furnish the required certification, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their own tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Dividends paid to a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a trade or business in the U.S. (or, if required by an applicable income tax treaty, are attributable to a U.S. permanent establishment, or fixed base, of the Non-U.S. Holder) generally will be exempt from the withholding tax described above and instead will be subject to U.S. federal income tax on a net income basis

at the regular graduated U.S. federal income tax rates in the same manner as if the Non-U.S. Holder were a U.S. person. In such case, the Company will not have to withhold U.S. federal tax so long as the Non-U.S. Holder timely complies with the applicable certification and disclosure requirements. To obtain this exemption from withholding tax, a Non-U.S. Holder must provide its financial intermediary with an IRS Form W-8ECI properly certifying its eligibility for such exemption. Any such effectively connected dividends received by a corporate Non-U.S. Holder may be subject to an additional ''branch profits tax'' at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty), as adjusted for certain items. Non-U.S. Holders should consult their own tax advisors regarding any applicable tax treaties that may provide for different rules.

Sale or Other Taxable Disposition

Subject to the discussions below under "Information Reporting and Backup Withholding" and under FATCA (defined herein), any gain realized on the sale or other disposition of Unit Shares or Warrants by a Non-U.S. Holder generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the U.S. (or, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment, or fixed base, of the Non-U.S. Holder);

- the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or

- the rules of the Foreign Investment in Real Property Tax Act of 1980 ("**FIRPTA**") apply to treat the gain as effectively connected with a U.S. trade or business.

A Non-U.S. Holder who has gain that is described in the first bullet point immediately above will be subject to U.S. federal income tax on the gain derived from the sale or other disposition pursuant to regular graduated U.S. federal income tax rates in the same manner as if it were a U.S. person. In addition, a corporate Non-U.S. Holder described in the first bullet point immediately above may be subject to the branch profits tax equal to 30% of its effectively connected earnings and profits (or at such lower rate as may be specified by an applicable income tax treaty), as adjusted for certain items.

A Non-U.S. Holder who meets the requirements described in the second bullet point immediately above will be subject to a flat 30% tax (or a lower tax rate specified by an applicable tax treaty) on the gain derived from the sale or other disposition, which gain may be offset by certain U.S. source capital losses (even though the individual is not considered a resident of the U.S.), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, pursuant to FIRPTA, in general, a Non-U.S. Holder is subject to U.S. federal income tax in the same manner as a U.S. Holder on any gain realized on the sale or other disposition of a "U.S. real property interest" ("**USRPI**"). For purposes of these rules, a USRPI generally includes stock in a U.S. corporation (like Unit Shares) assuming the U.S. corporation's interests in U.S. real property constitute 50% or more, by value, of the sum of the U.S. corporation's (i) assets used in a trade or business, (ii) U.S. real property interests, and (iii) interests in real property outside of the U.S. A U.S. corporation whose interests in U.S. real property constitute 50% or more, by value, of the sum of such assets is commonly referred to as a U.S. real property holding corporation ("**USRPHC**"). The Company is not, and does not anticipate becoming, a USRPHC.

Exercise of a Warrant

The U.S. federal income tax treatment of a Non-U.S. Holder's exercise or lapse of a Warrant generally will correspond to the U.S. federal income tax treatment of the exercise or lapse of a warrant by a U.S. Holder, as described above under the section entitled "Taxation of U.S. Holders — Exercise or Lapse of a Warrant."

Information Reporting and Backup Withholding

With respect to distributions and dividends on Unit Shares, the Company must report annually to the IRS and to each Non-U.S. Holder the amount of distributions and dividends paid to such Non-U.S. Holder and any tax withheld with respect to such distributions and dividends, regardless of whether withholding was required with respect thereto. Copies of the information returns reporting such dividends and distributions and withholding also may be made available to the tax authorities in the country in which the Non-U.S. Holder resides or is established under the provisions of an applicable income tax treaty, tax information exchange agreement or other arrangement. A Non-U.S. Holder will be subject to backup withholding for dividends and distributions paid to such Non-U.S. Holder unless either (i) such Non-U.S. Holder certifies under penalty of perjury that it is not a U.S. person (as defined in the U.S. Tax Code), which certification is generally satisfied by providing a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E, or IRS Form W-8ECI (or appropriate successor form), and the payor does not have actual knowledge or reason to know that such holder is a U.S. person, or (ii) such Non-U.S. Holder otherwise establishes an exemption.

With respect to sales or other dispositions of Unit Shares or Warrants, information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale or other disposition of Unit Shares or Warrants within the U.S. or conducted through certain U.S.-related financial intermediaries, unless either (i) such Non-U.S. Holder certifies under penalty of perjury that it is not a U.S. person (as defined in the U.S. Tax Code), which certification is generally satisfied by providing a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E, or IRS Form W-8ECI (or appropriate successor form), and the payor does not have actual knowledge or reason to know that such holder is a U.S. person, or (ii) such Non-U.S. Holder otherwise establishes an exemption.

Whether with respect to distributions and dividends, or the sale or other disposition of Unit Shares or Warrants, backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, if any, provided the required information is timely furnished to the IRS.

FATCA

Sections 1471 through 1474 of the Code (commonly referred to as "**FATCA**") impose a separate reporting regime and a potential 30% withholding tax on certain payments, including payments of dividends on Unit Shares. Withholding under FATCA generally applies to payments made to or through a foreign entity if such entity fails to satisfy certain disclosure and reporting rules. These rules generally require (i) in the case of a foreign financial institution, that the financial institution agree to identify and provide information in respect of financial accounts held (directly or indirectly) by U.S. persons and U.S.-owned entities, and, in certain instances, to withhold on payments to account holders that fail to provide the required information, and (ii) in the case of a non-financial foreign entity, that the entity either identify and provide information in respect of its substantial U.S. owners or certify that it has no such U.S. owners.

FATCA withholding also potentially applies to payments of gross proceeds from the sale or other disposition of Unit Shares or Warrants. Proposed regulations, however, would eliminate FATCA withholding on such

payments, and the U.S. Treasury Department has indicated that taxpayers may rely on this aspect of the proposed regulations until final regulations are issued.

Non-U.S. Holders typically will be required to furnish certifications (generally on the applicable IRS Form W-8) or other documentation to provide the information required by FATCA or to establish compliance with or an exemption from withholding under FATCA. FATCA withholding may apply where payments are made through a non-U.S. intermediary that is not FATCA compliant, even where the Non-U.S. Holder satisfies the holder's own FATCA obligations.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA. Any applicable intergovernmental agreement may alter one or more of the FATCA information reporting and withholding requirements. Non-U.S. Holders should consult their own tax advisor regarding the possible implications of FATCA on investments in Unit Shares or Warrants, including the applicability of any intergovernmental agreements.

PROMOTERS

William Garner and R. Geoffrey Sargent took the initiative in founding the Company and, accordingly, may be considered promoters of the Company within the meaning of applicable securities legislation in British Columbia. Dr. Garner beneficially owns or controls, directly or indirectly, an aggregate of 18,230,089 Common Shares, representing approximately 43.75% of the issued and outstanding Common Shares of the Company prior to the completion of the Offering and the Concurrent Private Placement. R. Geoffrey Sargent beneficially owns or controls, directly or indirectly, an aggregate of 11,196,974 Common Shares representing approximately 26.87% of the issued and outstanding Common Shares of the Company prior to the completion of the Offering and the Concurrent Private Placement. See "*Executive Compensation*" for disclosure regarding the compensation paid by the Company to Dr. Garner and Dr. Sargent.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings outstanding, threatened or pending as of the date of this Prospectus by or against the Company or to which it is a party or its business or any of its assets is the subject of, nor to the knowledge of the directors and officers of the Company are any such legal proceedings contemplated which could become material to a purchaser of the Company's securities.

Regulatory Actions

There have not been any penalties or sanctions imposed against the Company by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this Prospectus, no director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect,

in any transaction within the preceding three years or in any proposed transaction that has materially affected or will materially affect the Company.

RELATIONSHIP BETWEEN ISSUER AND UNDERWRITER

The Company is not a "related issuer" or a "connected issuer" of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*).

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is Horne LLP, located at Suite 100-661 Sunnybrook Road, Ridgeland, MS, 39157, USA. Horne LLP is independent of the Company within the meaning of Rule 204 of the Code of Professional Conduct of Chartered Professional Accountants of British Columbia. Horne LLP was first appointed as auditor of the Company on December 5, 2018.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company at its principal office in 1230-300 5th Ave SW, Calgary, Alberta, T2P 3C4.

MATERIAL CONTRACTS

Other than contracts made in the ordinary course of business, the following are the only material contracts entered into or proposed to be entered into, by the Company since its incorporation:

a) the Share Exchange Agreement;

b) the Escrow Agreement;

c) the Warrant Indenture; and

d) the Agency Agreement.

EXPERTS

The following persons are named as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

- Horne LLP, the auditor of the annual financial statements of the Company and GeneTether included in this Prospectus, has advised the Company that it is independent of the Company in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

- Ryan Shewchuk Professional Corporation, whose opinion has been relied upon by the Company in connection with the inclusion of the information under the heading "*Eligibility for Investment*" in this Prospectus.

- Fasken Martineau DuMoulin LLP is the Agent's counsel in connection with the inclusion of the information under the heading "*Eligibility for Investment*" in this Prospectus.

Certain legal matters in connection with the Offering will be passed upon by Pushor Mitchell LLP and Ryan Shewchuk Professional Corporation, on behalf of the Company, and by Fasken Martineau DuMoulin LLP, on behalf of the Agent. As at the date hereof, the partners and associates Pushor Mitchell LLP, as a group, and Ryan Shewchuk Professional Corporation, as a group, and of Fasken Martineau DuMoulin LLP, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares of the Company.

In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as, a director, senior officer or employee of the Company or of an associate or affiliate of the Company, or as a promoter of the Company or an associate or affiliate of the Company.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

FINANCIAL STATEMENT DISCLOSURE

The following financial statements and corresponding management's discussion and analysis of the Company and GeneTether are included as schedules to this Prospectus.

Schedule A	Audited financial statements of the Company for the period from incorporation to October 25, 2021.
Schedule B:	Audited financial statements of GeneTether for the years ended December 31, 2020 and 2019 and period from February 12, 2018 to December 31, 2018.
Schedule C:	Management's discussion and analysis of GeneTether for the years ended December 31, 2020 and 2019.
Schedule D:	Unaudited condensed interim financial statements of GeneTether for the three and nine months ended September 30, 2021 and 2020.
Schedule E:	Management's discussion and analysis of GeneTether for the three and nine months ended September 30, 2021 and 2020.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. **The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.**

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the warrants, those amounts may not be recoverable under the statutory right of action for damages that

applies in those provinces. **The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal advisor.**

LIST OF EXEMPTIONS FROM INSTRUMENT

The Company has not applied for or received any exemption from NI 41-101, regarding this Prospectus or the distribution of the Units under this Prospectus.

SCHEDULE "A"
FINANCIAL STATEMENTS OF THE COMPANY

[*see attached*]

Financial statements

GeneTether Therapeutics Inc.

For the period from inception to October 25, 2021
[expressed in Canadian dollars, except share amounts]

INDEPENDENT AUDITOR'S REPORT

To the Shareholder and Board of Directors of
GeneTether Therapeutics Inc.

Opinion

We have audited the financial statements of GeneTether Therapeutics Inc. (the "Company"), which comprise the statement of financial position as at October 25, 2021 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 25, 2021 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HORNE LLP

Ridgeland, Mississippi
October 25, 2021

GeneTether Therapeutics Inc.

Statement of Financial Position

As at October 25, 2021

(Audited - expressed in Canadian dollars)

Assets	$
Cash	0.001
Total Assets	**0.001**
Shareholders' Equity	
Share capital (note 3)	0.001
Total Shareholders' Equity	**0.001**

APPROVED BY THE BOARD

/s/ Daren Graham Director *(s/ William Garner* Director

The accompanying notes are an integral part of these financial statements.

1. INCORPORATION

GeneTether Therapeutics Inc. (the “Company”) was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on October 13, 2021. The Company’s head office is located at 301-1665 Ellis Street, Kelowna, BC, V1Y 2B3 Canada.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of Presentation

The financial statements are presented in Canadian dollars ("CAD"). The Corporation's ongoing functional and presentation currency will be in United States dollars (“USD”). The financial statements are prepared on a historical cost basis except for certain financial instruments classified as fair value through profit or loss ("FVPTL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

Statement of Changes in Equity

The Statement of Changes in Equity has not been included in these financial statements as there were no transactions from the date of incorporation to October 25, 2021.

Statement of Operations and Comprehensive Income

The Statement of Operations has not been included in these financial statements as there were no transactions from the date of incorporation to October 25, 2021.

Statement of Cash Flows

The Statement of Cash Flows has not been included in these financial statements as there were no transactions from the date of incorporation to October 25, 2021.

Earnings and Loss Per Share

Basic earnings and loss per common share is determined by dividing loss attributable to common shareholders by the weighted average number of common shares outstanding during the period.

Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements. The Company does not have any significant estimates or assumptions impacting the financial statements for the period from inception through October 25, 2021.

New Accounting Standards, Amendments and Interpretations Not Yet Adopted

IAS 1 – *Presentation of financial statements* ("IAS 1")

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (Amendments to IAS 1). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the consolidated statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent.

The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. In July 2020, the effective date was deferred to January 1, 2023. The Company will assess potential impact of these changes once it becomes operational.

IAS 8 – *Accounting Policies, Changes in Accounting Estimate and Errors* ("IAS 8")

On February 12, 2021, the IASB issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

The amended standard explains how entities use measurement techniques and inputs to develop accounting estimates and states that these can include estimation and valuation techniques. The amendments become effective for annual reporting periods beginning on or after January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The Company will assess potential impact of these changes once it becomes operational.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to certain risks as summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from deposits with banks and outstanding receivables. The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional financing to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital, cash flows and the issuance of share capital.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates. The Company will be exposed to limited foreign currency exchange risk as it will have trade payables denominated in a currency other than U.S. dollars, which is the Company's functional currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as at October 25, 2021.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risks as at October 25, 2021.

Fair Values

The carrying values of cash approximate the fair values due to the short-term nature of these items. The risk of material change in fair value is not considered to be significant due to a relatively short-term nature. The Company does not use derivative financial instruments to manage this risk.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

- Level 1 – Unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.

- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

- Level 3 – Significant unobservable inputs that are supported by little or no market activity. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

4. Share Capital

Authorized:
Unlimited common shares
Unlimited preferred shares, issuable in series

Issued:
1 common share

5. Financial risk management

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes equity, comprised of share capital and retained earnings, in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash for the funding of the operations of the business. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity.

The proceeds raised from the issuance of common shares may only be used for operations of its business and its subsidiaries, if any.

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash held in trust and accounts payable and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

6. Related party transactions

There was no remuneration paid to key management personnel during the period from inception through to October 25, 2021.

SCHEDULE "B"
ANNUAL FINANCIAL STATEMENTS OF GENETETHER

[*see attached*]

Financial statements

GeneTether, Inc.

For the years ended December 31, 2020 and 2019
[expressed in United States dollars, except share amounts]

HORNE

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
GeneTether, Inc.

Opinion

We have audited the financial statements of GeneTether, Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $72,966 during the year ended December 31, 2020 and, as of that date, the Company's current liabilities exceeded its total assets by $77,775. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HORNE LLP

Ridgeland, Mississippi
October 25, 2021

GeneTether, Inc.

Statements of financial position

[expressed in United States dollars]

[see going concern uncertainty – note 1]

As at	Notes	December 31, 2020 $	December 31, 2019 $
Assets			
Current assets			
Cash		**45,389**	10,112
Prepaid expenses		**—**	305
Security deposit		**—**	2,700
Total current assets		**45,389**	13,117
Total assets		**45,389**	13,117
Liabilities			
Current liabilities			
Trade and other payables		**1,030**	1,109
Notes payable	4	**122,134**	20,277
Total current liabilities		**123,164**	21,386
Total liabilities		**123,164**	21,386
Shareholders' deficiency			
Share capital	5	**790**	720
Contributed surplus		**162,770**	159,380
Accumulated deficit		**(241,335)**	(168,369)
Total sharesholders' deficiency		**(77,775)**	(8,269)
Total liabilities and sharesholders' deficiency		**45,389**	13,117
Commitments and contingencies	*8*		
Subsequent events	*11*		

The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

"Signed"
Director - Daren Graham

"Signed"
Director - William Garner

GeneTether, Inc.

Statements of loss and comprehensive loss

For the years ended December 31, 2020 and 2019

[expressed in United States dollars, except share amounts]

	Notes	2020 $	2019 $
Expenses			
General and administrative		**12,447**	32,088
Research and development		**59,388**	54,144
Share-based compensation	6	**127**	—
Total operating expenses		**71,962**	86,232
Loss from operations		**(71,962)**	(86,232)
Interest expense		**1,004**	509
Net loss and comprehensive loss		**(72,966)**	(86,741)
Net loss per share, basic and diluted	7	**(0.10)**	(0.12)
Weighted average number of shares outstanding – basic and diluted	7	**720,795**	702,575

The accompanying notes are an integral part of these financial statements.

GeneTether, Inc.

Statements of changes in shareholders' equity [deficiency]

For the years ended December 31, 2020 and 2019
[expressed in United States dollars, except share amounts]

	Common shares		Contributed surplus	Deficit	Total
	#	$	$	$	$
Balance, December 31, 2018	**600,000**	**600**	**99,500**	**(81,628)**	**18,472**
Issuance of common shares, net *[note 5]*	120,000	120	39,880	—	40,000
Issuance of convertible bridge notes *[note 4]*	—	—	20,000	—	20,000
Net loss and comprehensive loss for the year	—	—	—	(86,741)	(86,741)
Balance, December 31, 2019	**720,000**	**720**	**159,380**	**(168,369)**	**(8,269)**
Issuance of common shares, net *[note 5]*	10,000	10	3,323	—	3,333
Issuance of restricted common shares, net *[note 6]*	—	—	127	—	127
Issuance of common shares upon convertible bridge note conversion *[note 5]*	60,000	60	(60)	—	—
Net loss and comprehensive loss for the year	—	—	—	(72,966)	(72,966)
Balance, December 31, 2020	**790,000**	**790**	**162,770**	**(241,335)**	**(77,775)**

The accompanying notes are an integral part of these financial statements.

GeneTether, Inc.

Statements of cash flows

For the years ended December 31, 2020 and 2019

[expressed in United States dollars]

	2020 $	2019 $
Operating activities		
Net loss for the year	**(72,966)**	(86,741)
Add (deduct) items not affecting cash		
Share-based compensation	**127**	—
Changes in non-cash working capital balances		
Prepaid expenses	**305**	(12)
Security deposits	**2,700**	—
Trade and other payables	**778**	(8,708)
Cash used in operating activities	**(69,056)**	(95,461)
Financing activities		
Proceeds from issuance of common shares	**3,333**	40,000
Proceeds from issuance of notes payables classified as a liability	**101,000**	20,000
Proceeds from issuance of notes payables classified as equity	—	20,000
Cash provided by financing activities	**104,333**	80,000
Net increase (decrease)	**35,277**	(15,461)
Cash, beginning of year	**10,112**	25,573
Cash, end of year	**45,389**	10,112

The accompanying notes are an integral part of these financial statements.

Notes to financial statements

[expressed in United States dollars, except share amounts]

December 31, 2020 and 2019

1. Nature of business

GeneTether, Inc. (the "Company" or "GeneTether") is a biopharmaceutical company focused on the development of high efficiency precision gene editing for human therapeutics and applications. The Company was incorporated in Delaware on February 12, 2018, with the initial capitalization occurring on March 30, 2018.

The Company's headquarters and all of the Company's assets are located in San Francisco, California.

On May 23, 2019, the Company effected a three-for-one share split of the outstanding common shares pursuant to an amendment to the Company's certificate of incorporation. As a result of the share split, each common share outstanding on May 24, 2019, was automatically reclassified into three common shares. The share split increased the total number of common shares outstanding from 200,000 to 600,000 as of December 31, 2018. The share split was accounted for retroactively and is the financial statements and related note disclosures for the years ended December 31, 2020 and 2019. Unless stated otherwise, all share data in the accompanying financial statements have been adjusted, as appropriate, to reflect the share split.

Going concern uncertainty

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

As at December 31, 2020, the Company is pre-revenue, has not initiated commercial sale of product and has an accumulated deficit of $241,335 (2019 - $168,369). The Company's working capital position as at December 31, 2020 is in a deficit position of $77,775 (2019 - $8,269 deficit) comprised primarily of notes payable in the amount of $122,134. Whether, and when, the Company can attain profitability and positive cash flows from operations is subject to material uncertainty. In addition, there is uncertainty as to whether the holders of the convertible debenture will exercise their right to convert or require the Company to pay or refinance the convertible debenture. The above events and conditions indicate there is a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so. The Company will need to raise additional capital in order to fund its planned operations and meet its obligations. While the Company has been successful in obtaining financing to date and believes it will be able to obtain sufficient funds in the future and ultimately achieve profitability and positive cash flows from operations, there can be no assurance that the Company will achieve profitability and be able to do so in the future on terms favourable for the Company.

2. Basis of presentation

Statement of compliance

These financial statements have been prepared by management in accordance with generally accepted accounting principles in Canada for publicly accountable enterprises, as set out in the *CPA Canada Handbook – Accounting*, which incorporates International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The policies set out below have been consistently applied to all periods presented, unless otherwise noted.

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on October 25, 2021.

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. Historical costs are generally based upon the fair value of the consideration given in exchange for goods and services received.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional currency and presentation currency

These financial statements are presented in United States dollars, which is the Company's functional currency.

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

[i] Valuation of share-based payments

Management measures the costs for share-based payments and warrants using market-based option valuation techniques. Assumptions are made and estimates are used in applying the valuation techniques. These include estimating the future volatility of the share price, expected dividend yield, expected term, expected risk-free interest rate and the rate of forfeiture. Such estimates and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates of share-based payments and warrants.

3. Significant accounting policies

[a] Cash

Cash includes deposits held with financial institutions.

[b] Research and Development

The Company expenses research and development costs as incurred, with the exception of development costs for new products with proven technical feasibility and for which a defined future market exists. Such development costs are capitalized if all criteria are met. Research and development costs include rent related to the laboratory space, lab supplies, outside consulting services and the costs associated with the filing and maintenance of the patent portfolio.

[c] Loss per share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for the effects of all dilutive potential common shares, which comprise convertible debentures issued.

[d] Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets.

As at December 31, 2020 and 2019, the Company has net deferred tax assets consisting primarily of net operating loss carryforwards totaling approximately $60,000 and $42,000, respectively. As at December 31, 2020, we have net operating loss carry forwards, with an indefinite carryforward period, of approximately $241,000. The Company’s income tax benefits at its statutory tax rate are fully reduced by the change in valuation allowance for the years ended December 31, 2020 and 2019.

[e] Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities [other than financial assets and financial liabilities at fair value through profit or loss] are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

[i] Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (‘‘FVOCI’’), or fair value through profit and loss (‘‘FVTPL’’). The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated. Instead, the hybrid financial asset as a whole is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income (“OCI”). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset [unless it is a trade receivable without a significant financing component that is initially measured at the transaction price] is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	Subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	Subsequently measured at amortized cost using the effective interest method, less any impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	Subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment losses are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	Subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss, even upon derecognition.

[ii] Financial liabilities

The Company initially recognizes financial liabilities at fair value on the date at which the Company becomes a party to the contractual provisions of the instrument.

The Company classifies its financial liabilities as either financial liabilities at FVTPL or other liabilities.
Subsequent to initial recognition, other liabilities are measured at amortized cost using the effective interest method. Financial liabilities at fair value are stated at fair value with changes being recognized in profit or loss.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

[iii] Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

[iv] Classification of financial instruments

The Company classifies its financial assets and liabilities depending on the purpose for which the financial instruments were acquired, their characteristics and management intent as outlined below:

Financial assets/liabilities	Classification
Cash	Amortized cost
Trade and other payables	Amortized cost
Notes payable	Amortized cost

[v] Impairment of financial assets

Financial assets, other than those classified as FVTPL, incorporate an allowance for expected credit losses.

[f] Share-based Compensation

Share options and warrants awarded to non-employees are accounted for using the fair value of the instrument awarded or service provided, whichever is considered more reliable. Share options and warrants awarded to employees are accounted for using the fair value method. The fair value of such share options and warrants granted is recognized as an expense on a proportionate basis consistent with the vesting features of each tranche of the grant. The fair value is calculated using the Black-Scholes option pricing model with assumptions applicable at the date of grant.

[g] Foreign Currency Translation

Foreign currency transactions are translated into United States dollars at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to United States dollars at the foreign exchange rate applicable at that date. Realized and unrealized exchange gains and losses are recognized through profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

[h] New standards, amendments and interpretations adopted by the Company

IFRS 3 – *Business combinations* ("IFRS 3")

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The amendment adoption did not have a significant impact on the Company's financial statements.

IAS 1 – *Presentation of financial statements* ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across International Financial Reporting Standards and other publications.
The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The amendment adoption did not have a significant impact on the Company's financial statements.

[i] New standards, amendments and interpretations not yet adopted by the Company

IAS 1 – *Presentation of financial statements* ("IAS 1")

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (Amendments to IAS 1). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the consolidated statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent.

The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. In July 2020, the effective date was deferred to January 1, 2023. The Company is assessing potential impact of these changes.

IAS 8 – *Accounting Policies, Changes in Accounting Estimate and Errors* ("IAS 8")

On February 12, 2021, the IASB issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

The amended standard explains how entities use measurement techniques and inputs to develop accounting estimates and states that these can include estimation and valuation techniques. The amendments become effective for annual reporting periods beginning on or after January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The Company is assessing the potential impact of these changes.

4. Notes payable

Demand Notes

On June 12, 2019, the Company issued two demand bridge notes in the principal amount of $10,000 each (the "Demand Notes") to two members of the Board of Directors. These Demand Notes become due and payable upon 90 days' notice from the holder and accrue interest at the rate of 2.5% per annum.

On February 3, 2021, the Company issued a total of 3,819 common shares related to the conversion of the Demand Notes.

Convertible Bridge Notes

On October 19, 2020, the Company issued a convertible bridge note in the principal amount of $25,000 to Dr. William Garner, a member of the Board of Directors. The convertible bridge note accrues interest at the rate of 2.5% and matures on October 19, 2021. At maturity and upon the election of a majority of the convertible bridge note holders, the convertible bridge note principal and any unpaid accrued interest shall convert to common shares at a price of $3.47. In the event of a financing prior to maturity, the outstanding principal and any unpaid accrued interest automatically converts to common shares at 100% of the price per share paid by other purchasers of preferred or common shares in such financing.
On November 13, 2020, the Company issued a convertible bridge note in the principal amount of $50,000 to a third-party investor. The convertible bridge note accrues interest at the rate of 2.5% and matures on October 19, 2021. At maturity, upon the election of a majority of the convertible bridge note holders, the convertible bridge note principal and any unpaid accrued interest shall convert to common shares at a price of $3.47. In the event of a financing prior to maturity, the outstanding principal and any unpaid accrued interest automatically converts to common shares at 100% of the price per share paid by other purchasers of preferred or common shares in such financing.

On November 24, 2020, the Company issued a convertible bridge note in the principal amount of $26,000 to Mr. Andre Fraga, a member of the Board of Directors. The convertible bridge note accrues interest at the rate of 2.5% and matures on October 19, 2021. At maturity, upon the election of a majority of the convertible bridge note holders, the convertible bridge note principal and any unpaid accrued interest shall convert to common shares at a price of $3.47. In the event of a financing prior to maturity, the outstanding principal and any unpaid accrued interest automatically converts to common shares at 100% of the price per share paid by other purchasers of preferred or common shares in such financing.

On February 3, 2021, the Company issued a total of 18,633 common shares related to the conversion of the convertible bridge notes (see Note 11).

5. Share capital

[a] Authorized

The authorized share capital of the Company consists of 1,000,000 common shares with a par value of $0.001.

Each holder of common shares is entitled to one vote for each share owned on all matters voted upon by shareholders. In the event the Company liquidates, dissolves or wind-ups the operations, the holders of the common shares are entitled to share equally and ratably in the Company's assets, if any, remaining after the payment of all the Company's debts and liabilities and the liquidation preference of any preferred shares that may then be outstanding. The common shares have no preemptive rights, no cumulative voting rights, and no redemption, sinking fund, or conversion provisions.

Holders of common shares are entitled to receive dividends, if and when declared by the Board of Directors, out of funds legally available for such purpose, subject to the dividend and liquidation rights of any preferred share that may then be outstanding.

[b] Issued and outstanding

Reconciliation of the Company's share capital is as follows:

[expressed in United States dollars, except share amounts]

	Common shares	
	#	$
Balance, December 31, 2018	**600,000**	**600**
Issuance of common shares, net [i]	120,000	120
Balance, December 31, 2019	**720,000**	**720**
Issuance of common shares, net [ii]	10,000	10
Issuance of common shares upon convertible bridge note conversion [iii]	60,000	60
Balance, December 31, 2020	**790,000**	**790**

[i] On February 22, 2019, two members of the Board of Directors purchased 120,000 common shares for gross proceeds of $40,000.

[ii] On December 2, 2020, the Company issued 10,000 common shares to a consultant as payment for business development consulting services.

[iii] On December 31, 2020, the Company issued 60,000 common shares to Dr. Garner related to the settlement of the convertible bridge notes held by Dr. Garner issued in 2019.

6. Share-based compensation

Restricted Common Shares

The change in the number of restricted common shares during the years ended December 31, 2020 and 2019 is as follows:

	Number outstanding	Number exercisable
	#	#
Outstanding as at December 31, 2019	—	—
Granted	127,058	—
Outstanding as at December 31, 2020	**127,058**	**—**

On December 15, 2020, the Company issued 63,529 restricted common shares to Mr. Daren Graham, Chairman of the Board of Directors. The shares vest in equal monthly amounts over three years with the last increment vesting on December 15, 2023. Vesting will accelerate to 100% upon the event of a change of control.

On December 22, 2020, the Company issued 63,529 restricted common shares to Mr. Fraga, a member of the Board of Directors. The shares vest in equal monthly amounts over three years with the last increment vesting on December 15, 2023. Vesting will accelerate to 100% upon the event of a change of control.

[expressed in United States dollars, except share amounts]

7. Loss per share

Net loss per common share represents net loss attributable to common shareholders divided by the weighted average number of common shares outstanding during the year.

Diluted loss per common share is calculated by dividing the applicable net loss by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive common shares had been issued during the year.

For all the years presented, diluted loss per share equals basic loss per share due to the anti-dilutive effect of the convertible bridge notes and restricted shares. The outstanding number and type of securities that could potentially dilute basic net loss per share in the future but would have decreased the loss per share [anti-dilutive] for the years presented are as follows:

	2020	2019
	#	**#**
Convertible bridge notes [i]	**29,106**	60,000
Restricted shares	**127,058**	—
	156,164	60,000

[i] As of December 31, 2019, there was $20,000 of convertible bridge notes outstanding. The convertible bridge notes were classified as equity in their entirety upon issuance as they did not meet the definition of a financial liability. On December 31, 2020, the Company issued 60,000 common shares upon conversion.

As of December 31, 2020, there was $101,000 of convertible bridge notes (see Note 4) outstanding. The convertible bridge notes shall convert to common shares at a price of $3.47 at maturity upon election of majority of the holders.

8. Commitments and contingencies

Commitments

As at December 31, 2020, the Company had no long-term commitments.

Contingencies

In the ordinary course of business, from time to time, the Company may be involved in various claims related to operations, rights, commercial, employment or other claims. Although such matters cannot be predicted with certainty, management does not consider the Company’s exposure to such claims to be material to these financial statements.

9. Related party transactions

On February 22, 2019, two members of the Board of Directors, Mr. Albert Hansen, through KESA Partners, Inc., and Dr. Garner, each purchased 60,000 common shares for $20,000.

On June 12, 2019, the Company issued, to each of Dr. Garner and KESA Partners, demand notes in the principal amount of $10,000.

[expressed in United States dollars, except share amounts]

On November 14, 2019, the Company issued to each of Dr. Garner and KESA Partners, a convertible bridge note in the principal amount of $10,000. On August 29, 2020, Dr. Garner purchased all shares and demand notes owned by KESA Partners. On October 19, 2020, the Company issued a convertible bridge note to Dr. Garner in the principal amount of $25,000. On December 31, 2020, the Company issued 60,000 common shares to Dr. Garner related to the conversion of two convertible bridge notes held by him. On February 3, 2021, the Company issued 8,438 common shares to Dr. Garner related to the conversion of a convertible bridge note and a demand note held by him.

On November 24, 2020, the Company issued a convertible bridge note to a Board member, Mr. Fraga, in the principal amount of $26,000. On February 3, 2021, the Company issued 4,792 common shares to Mr. Fraga related to the conversion of a convertible bridge note held by him.

There was no key management personnel compensation for the years ended December 31, 2020 and 2019.

10. Financial instruments and risk management

The Company's financial instruments are exposed to certain risks as summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from deposits with banks and outstanding receivables. The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional financing to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital, cash flows and the issuance of share capital.

The Company is obligated to the following contractual maturities of undiscounted cash flows:

	Carrying amount	Contractual cash flows	Year 1	Year 2 and beyond
	$	**$**	**$**	**$**
Trades and other payables	1,030	1,030	1,030	—
Notes payable	122,134	122,134	122,134	—
	123,164	**123,164**	**123,164**	**—**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates. The Company is not exposed to foreign currency exchange risk as it has no financial instruments denominated in a foreign currency and all of the Company's transactions are primarily in United States dollars, which is also the Company's functional currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as at December 31, 2020, as the interest rate on the notes payable is fixed at 2.5% per annum.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices [other than those arising from interest rate risk or currency risk], whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risks as at December 31, 2020.

Fair values

The carrying values of cash, notes payable and trade and other payables approximate the fair values due to the short-term nature of these items. The risk of material change in fair value is not considered to be significant due to a relatively short-term nature. The Company does not use derivative financial instruments to manage this risk.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

- Level 1 – Unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.

- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

- Level 3 – Significant unobservable inputs that are supported by little or no market activity. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

11. Subsequent events

On January 14, 2021, the Board of Directors approved the increase in the number of common shares authorized to 1,300,000 and the Company's Certificate of Incorporation was appropriately amended. The Board of Directors also approved a Common Share Purchase Agreement (the "Purchase Agreement") between the Company and certain purchasers for the purchase of up to an aggregate of 183,412 common shares at a purchase price of $5.45221. The Board of Directors also approved the GeneTether, Inc. 2021 Employee, Director and Consultant Equity Incentive Plan (the "Plan") reserving for the issuance of up to 199,492 common shares pursuant to the Plan.

On February 3, 2021, the Company issued a total of 22,452 common shares related to the conversion of certain convertible bridge notes and Demand Notes held by Dr. Garner, Mr. Fraga and a third-party investor.

In four separate transactions in February, March, April and July of 2021, the Company issued, pursuant to the Purchase Agreement approved by the Board of Directors in January 2021, an aggregate of 160,863 shares of common shares for gross proceeds of $877,000.

On April 21, 2021, the Company issued 6,000 common shares to a consultant as payment for executive search services.

On April 21, 2021, the Company issued 109,995 share options to the former consulting Chief Executive Officer, with an exercise price of $5.45221. Such options shall vest on the date of issuance with respect to 6,112 shares with the remaining shares vesting on the 15th day of each month thereafter, to be fully vested on February 15, 2024. The options will expire 10 years from the date of issuance. On October 13, 2021, upon the resignation of the former CEO, the Company cancelled 109,995 share options previously issued in February 2021 and issued 10,000 common shares in accordance with the resignation agreement.

On April 21, 2021, the Company issued 4,007 share options to each of three consultants for a total of 12,021 share options, each with an exercise price of $5.45221. Each such option shall vest on the date of issuance with respect to 382 shares with the remaining shares vesting on the 20th day of each month thereafter, to be fully vested on December 20, 2022. The options will expire 10 years from the date of issuance.

On July 1, 2021, the Company issued 30,000 share options to an independent consultant, with an exercise price of $5.45221. The options shall vest in equal monthly increments over three years and shall be fully vested on July 1, 2024. The options will expire 10 years from the date of issuance.

On July 30, 2021, the Company issued, pursuant to the Purchase Agreement approved by the Board of Directors in January 2021, an aggregate of 15,960 common shares for gross proceeds of $87,000.

On October 19, 2021, 285,000 share options were granted to directors and officers of the Company, including the new CEO, new CFO, and CSO, and 2,500 options were granted to an independent consultant.

On October 21, 2021, 50,000 share options were granted to an independent consultant.

Financial statements

GeneTether, Inc.

For the year ended December 31, 2019 and for the period from February 12, 2018 to December 31, 2018
[expressed in United States dollars, except share amounts]

HORNE

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
GeneTether, Inc.

Opinion

We have audited the financial statements of GeneTether, Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2019 and 2018, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the year ended December 31, 2019 and the period from inception to December 31, 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the year ended December 31, 2019 and the period from inception to December 31, 2018 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $86,741 during the year ended December 31, 2019 and, as of that date, the Company's current liabilities exceeded its total assets by $8,269. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

In our report dated May 30, 2019, we expressed an opinion that the financial statements presented fairly, in all material respects, the financial position of the Company as of December 31, 2018 and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. As described in Note 2, the Company adopted IFRS, effective February 12, 2018 (inception date) as its financial reporting framework. Accordingly, our present opinion on the December 31, 2018 financial statements, as presented herein, is different from that expressed in our previous report.

HORNE LLP

Ridgeland, Mississippi
October 25, 2021

GeneTether, Inc.

Statements of financial position

[expressed in United States dollars]
[see going concern uncertainty – note 1]

As at	Notes	December 31, 2019 $	December 31, 2018 $
Assets			
Current assets			
Cash		**10,112**	25,573
Prepaid expenses		**305**	293
Security deposit		**2,700**	2,700
Total current assets		**13,117**	28,566
Total assets		**13,117**	28,566
Liabilities			
Current liabilities			
Trade and other payables		**1,109**	10,094
Notes payable	5	**20,277**	—
Total current liabilities		**21,386**	10,094
Total liabilities		**21,386**	10,094
Shareholders' equity [deficiency]			
Share capital	6	**720**	600
Contributed surplus		**159,380**	99,500
Accumulated deficit		**(168,369)**	(81,628)
Total sharesholders' equity [deficiency]		**(8,269)**	18,472
Total liabilities and sharesholders' equity [deficiency]		**13,117**	28,566
Commitments and contingencies	*8*		
Subsequent events	*11*		

The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

"Signed"
Director - Daren Graham

"Signed"
Director - William Garner

GeneTether, Inc.

Statements of loss and comprehensive loss

For the year ended December 31, 2019 and for the period from February 12, 2018 to December 31, 2018

[expressed in United States dollars, except share amounts]

	Notes	2019 $	2018 $
Expenses			
General and administrative		**32,088**	60,534
Research and development		**54,144**	21,094
Total operating expenses		**86,232**	81,628
Loss from operations		**(86,232)**	(81,628)
Interest expense		**509**	—
Net loss and comprehensive loss		**(86,741)**	(81,628)
Net loss per share, basic and diluted	7	**(0.12)**	(0.17)
Weighted average number of shares outstanding – basic and diluted	7	**702,575**	489,946

The accompanying notes are an integral part of these financial statements.

GeneTether, Inc.

Statements of changes in shareholders' equity [deficiency]

For the year ended December 31, 2019 and for the period from February 12, 2018 to December 31, 2018
[expressed in United States dollars, except share amounts]

	Common shares		Contributed surplus	Deficit	Total
	#	$	$	$	$
Balance, February 12, 2018	**—**	**—**	**—**	**—**	**—**
Issuance of common shares, net *[note 6]*	600,000	600	99,500	—	100,100
Net loss and comprehensive loss for the year	—	—	—	(81,628)	(81,628)
Balance, December 31, 2018	**600,000**	**600**	**99,500**	**(81,628)**	**18,472**
Issuance of common shares, net *[note 6]*	120,000	120	39,880	—	40,000
Issuance of convertible notes *[note 5]*	—	—	20,000	—	20,000
Net loss and comprehensive loss for the year	—	—	—	(86,741)	(86,741)
Balance, December 31, 2019	**720,000**	**720**	**159,380**	**(168,369)**	**(8,269)**

The accompanying notes are an integral part of these financial statements.

GeneTether, Inc.

Statements of cash flows

For the year ended December 31, 2019 and for the period from February 12, 2018 to December 31, 2018
[expressed in United States dollars]

	2019 $	2018 $
Operating activities		
Net loss for the year	**(86,741)**	(81,628)
Changes in non-cash working capital balances		
Prepaid expenses	**(12)**	(293)
Security deposits	**—**	(2,700)
Trade and other payables	**(8,708)**	10,094
Cash used in operating activities	**(95,461)**	(74,527)
Financing activities		
Proceeds from issuance of common shares	**40,000**	100,100
Proceeds from issuance of notes payables classified as a liability	**20,000**	—
Proceeds from issuance of notes payables classified as equity	**20,000**	—
Cash provided by financing activities	**80,000**	100,100
Net increase (decrease)	**(15,461)**	25,573
Cash, beginning of year	**25,573**	—
Cash, end of year	**10,112**	25,573

The accompanying notes are an integral part of these financial statements.

1. Nature of business

GeneTether, Inc. (the "Company" or "GeneTether") is a biopharmaceutical company focused on the development of high efficiency precision gene editing for human therapeutics and applications. The Company was incorporated in Delaware on February 12, 2018, with the initial capitalization occurring on March 30, 2018.

The Company's headquarters and all of the Company's assets are located in San Francisco, California.

On May 23, 2019, the Company effected a three-for-one share split of the outstanding common shares pursuant to an amendment to the Company's certificate of incorporation. As a result of the share split, each common share outstanding on May 24, 2019, was automatically reclassified into three common shares. The stock split increased the total number of common shares outstanding from 200,000 to 600,000 as of December 31, 2018. The share split was accounted for retroactively in the financial statements and related note disclosures for the year ended December 31, 2019 and for the period from inception to December 31, 2018. Unless stated otherwise, all share data in the accompanying financial statements have been adjusted, as appropriate, to reflect the share split.

Going concern uncertainty

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

As at December 31, 2019, the Company is pre-revenue, has not initiated commercial sale of product and has an accumulated deficit of $168,369 (2018 - $81,628). In addition, the Company's working capital position as at December 31, 2019 is in a deficit position of $8,269 (2018 - $18,472 surplus) comprised primarily of a note payable in the amount of $20,277. Whether, and when, the Company can attain profitability and positive cash flows from operations is subject to material uncertainty. The above events and conditions indicate there is a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so. The Company will need to raise additional capital in order to fund its planned operations and meet its obligations. While the Company has been successful in obtaining financing to date and believes it will be able to obtain sufficient funds in the future and ultimately achieve profitability and positive cash flows from operations, there can be no assurance that the Company will achieve profitability and be able to do so in the future on terms favourable for the Company.

2. Basis of presentation

Statement of compliance

These financial statements have been prepared by management in accordance with generally accepted accounting principles in Canada for publicly accountable enterprises, as set out in the CPA Canada Handbook – Accounting, which incorporates International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These are the Company's first financial statements prepared in accordance with IFRS and *IFRS 1 – First-time Adoption of International Financial Reporting Standards* has been applied. The Company's financial statements were previously prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). The Company has adopted IFRS effective February 12, 2018, the date of incorporation.

An explanation of the how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in Note 4.

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on October 25, 2021.

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. Historical costs are generally based upon the fair value of the consideration given in exchange for goods and services received.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional currency and presentation currency

These financial statements are presented in United States dollars, which is the Company's functional currency.

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Significant accounting policies

[a] Cash

Cash includes deposits held with financial institutions.

[b] Research and Development

The Company expenses research and development costs as incurred, with the exception of development costs for new products with proven technical feasibility and for which a defined future market exists. Such development costs are capitalized if all criteria are met. Research and development costs include rent related to the laboratory space, lab supplies, outside consulting services and the costs associated with the filing and maintenance of the patent portfolio.

[c] Loss Per Share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for the effects of all dilutive potential common shares, which comprise convertible debentures issued.

[d] Income Taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets.

As of December 31, 2019, we have net operating loss carry forwards of approximately $168,000. The Company has provided a full valuation allowance as of December 31, 2019 and 2018.

[e] Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities [other than financial assets and financial liabilities at fair value through profit or loss] are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

[i] Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (‘‘FVOCI’’), or fair value through profit and loss (‘‘FVTPL’’). The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow

characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated. Instead, the hybrid financial asset as a whole is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset [unless it is a trade receivable without a significant financing component that is initially measured at the transaction price] is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	Subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	Subsequently measured at amortized cost using the effective interest method, less any impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	Subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment losses are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI	Subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss, even upon derecognition.

[ii] Financial liabilities

The Company initially recognizes financial liabilities at fair value on the date at which the Company becomes a party to the contractual provisions of the instrument.

The Company classifies its financial liabilities as either financial liabilities at FVTPL or other liabilities.
Subsequent to initial recognition, other liabilities are measured at amortized cost using the effective interest method. Financial liabilities at fair value are stated at fair value with changes being recognized in profit or loss.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

[iii] Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

[iv] Classification of financial instruments

The Company classifies its financial assets and liabilities depending on the purpose for which the financial instruments were acquired, their characteristics and management intent as outlined below:

Financial assets/liabilities	Classification
Cash	Amortized cost
Trade and other payables	Amortized cost
Notes payable	Amortized cost

[v] Impairment of financial assets

Financial assets, other than those classified as FVTPL, incorporate an allowance for expected credit losses.

[f] Share-based Compensation

Share options and warrants awarded to non-employees are accounted for using the fair value of the instrument awarded or service provided, whichever is considered more reliable. Share options and warrants awarded to employees are accounted for using the fair value method. The fair value of such share options and warrants granted is recognized as an expense on a proportionate basis consistent with the vesting features of each tranche of the grant. The fair value is calculated using the Black-Scholes option pricing model with assumptions applicable at the date of grant.

[g] Foreign Currency Translation

Foreign currency transactions are translated into United States dollars at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to United States dollars at the foreign exchange rate applicable at that date. Realized and unrealized exchange gains and losses are recognized through profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

New standards, amendment and interpretations not yet adopted by the Company

IFRS 3 - *Business combinations* (“IFRS 3”)

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The amendment adoption will not have a significant impact on the Company’s financial statements.

IAS 1 - Presentation of financial statements (“IAS 1”)

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The amendment adoption is not expected have a significant impact on the Company’s financial statements.

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (Amendments to IAS 1). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the consolidated statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent.

The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. In July 2020, the effective date was deferred to January 1, 2023. The Company is assessing potential impact of these changes.

4. Transition to IFRS

These financial statements, for the year ended December 31, 2019 and for the period from inception to December 31, 2018, are the first the Company has prepared in accordance with IFRS. Prior to the adoption of IFRS, the financial position, results of operations, and cash flows of the Company were prepared in accordance with U.S. GAAP issued by the Financial Accounting Standards ("FASB"). The Company's transition date is February 12, 2018 (the "transition date") which is the date of incorporation. These financial statements have been prepared in accordance with the accounting policies described in Note 3.

Reconciliations of equity from US GAAP to IFRS

There were no differences in reported equity as of December 31, 2019 and 2018, reported in accordance with IFRS compared to the previously reported results in accordance with U.S. GAAP.

Reconciliation of loss and total comprehensive loss under US GAAP to IFRS

Loss and comprehensive loss has not changed as a result of the adoption of IFRS for the year ended December 31, 2019 and the period ended December 31, 2018.

5. Notes payable

On June 12, 2019, the Company issued two demand bridge notes in the principal amount of $10,000 each (the "Demand Notes") to two members of the Board of Directors. These Demand Notes become due and payable upon 90 days' notice from the holder and accrue interest at the rate of 2.5% per annum.

On November 14, 2019, the Company issued two convertible bridge notes in the principal amount of $10,000 each to two members of the Board of Directors. The Company concluded these convertible bridge notes met the definition of equity upon issuance (Note 7).

On February 3, 2021, the Company issued a total of 3,819 common shares related to the conversion of the Demand Notes.

6. Share capital

[a] Authorized

The authorized share capital of the Company consists of 1,000,000 common shares with a par value of $0.001.

Each holder of common shares is entitled to one vote for each share owned on all matters voted upon by shareholders. In the event the Company liquidates, dissolves or wind-ups the operations, the holders of the common shares are entitled to share equally and ratably in the Company's assets, if any, remaining after the payment of all the Company's debts and liabilities and the liquidation preference of any preferred shares that may then be outstanding. The common shares have no preemptive rights, no cumulative voting rights, and no redemption, sinking fund, or conversion provisions.

Holders of common shares are entitled to receive dividends, if and when declared by the Board of Directors, out of funds legally available for such purpose, subject to the dividend and liquidation rights of any preferred shares that may then be outstanding.

[expressed in United States dollars, except share amounts]

[b] Issued and outstanding

Reconciliation of the Company's share capital is as follows:

	Common Shares	
	#	$
Balance, February 12, 2018	**—**	**—**
Issuance of common shares, net [i]	600,000	600
Balance, December 31, 2018	**600,000**	**600**
Issuance of common shares, net [ii]	120,000	120
Balance, December 31, 2019	**720,000**	**720**

[i] On March 30, 2018, the Chief Executive Officer, who is also a member of the Board of Directors, invested $100 as the initial capitalization of the Company and received 300,000 common shares. On April 26, 2018, a member of the Board of Directors invested $25,000 and received 75,000 common shares. On April 27, 2018, a member of the Board of Directors invested $25,000 and received 75,000 common shares. On September 18, 2018, a member of the Board of Directors invested $25,000 and received 75,000 common shares. On September 24, 2018, a member of the Board of Directors invested $25,000 and received 75,000 common shares.

[ii] On February 22, 2019, two members of the Board of Directors purchased 120,000 common shares for gross proceeds of $40,000.

7. Loss per share

Net loss per common share represents net loss attributable to common shareholders divided by the weighted average number of common shares outstanding during the year.

Diluted loss per common share is calculated by dividing the applicable net loss by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive common shares had been issued during the year.

For all the years presented, diluted loss per share equals basic loss per share due to the anti-dilutive effect of convertible notes. As of December 31, 2019, the Company had issued and outstanding $20,000 of convertible bridge notes (the "Convertible Notes") that would have decreased the loss per share [anti-dilutive]. The Convertible Notes have no annual interest rate and mature on December 31, 2020. If the Company issues common shares in an amount exceeding $50,000, the Convertible Notes will be converted, on such issuance date, into common shares of the Company, at a price equal to 100% of the price paid by such new shareholders. To the extent that the Company issues no common shares prior to December 31, 2020, the Convertible Notes will be converted into common shares of the Company at a price of $0.33333 per share on December 31, 2020. The Convertible Notes were classified as equity in their entirety upon issuance as they did not meet the definition of a financial liability.

On December 31, 2020, the Company issued 60,000 common shares related to the conversion of the Convertible Notes.

[expressed in United States dollars, except share amounts]

8. Commitments and contingencies

Commitments

As at December 31, 2019, the Company had no long-term commitments.

Contingencies

In the ordinary course of business, from time to time, the Company may be involved in various claims related to operations, rights, commercial, employment or other claims. Although such matters cannot be predicted with certainty, management does not consider the Company's exposure to such claims to be material to these financial statements.

9. Related party transactions

On February 22, 2019, two members of the Board of Directors, Dr. William J. Garner ("Garner") and Mr. Albert Hansen ("Hansen"), each purchased 60,000 common shares for $20,000.

On June 12, 2019, the Company issued, to each of Garner and Hansen, a Demand Note in the principal amount of $10,000. These Demand Notes are more fully described in Note 5 above.

On November 14, 2019, the Company issued to each of Garner and Hansen a Convertible Note in the principal amount of $10,000. These Convertible Notes are more fully described in Note 7 above.

10. Financial instruments and risk management

The Company's financial instruments are exposed to certain risks as summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from deposits with banks and outstanding receivables. The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional financing to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital, cash flows and the issuance of share capital.

The Company is obligated to the following contractual maturities of undiscounted cash flows:

	Carrying amount	Contractual cash flows	Year 1	Year 2 and beyond
	$	**$**	**$**	**$**
Trades and other payables	1,109	1,109	1,109	—
Notes payable	20,277	20,277	20,277	—
	21,386	**21,386**	**21,386**	**—**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates. The Company is not exposed to foreign currency exchange risk as it has no financial instruments denominated in a foreign currency and all of the Company's transactions are primarily in United States dollars, which is also the Company's functional currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as at December 31, 2019, as the interest rate on the notes payable is fixed at 2.5% per annum.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices [other than those arising from interest rate risk or currency risk], whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risks as at December 31, 2019.

Fair values

The carrying values of cash, notes payable and trade and other payables approximate the fair values due to the short-term nature of these items. The risk of material change in fair value is not considered to be significant due to a relatively short-term nature. The Company does not use derivative financial instruments to manage this risk.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

- Level 1 – Unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.

- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

- Level 3 – Significant unobservable inputs that are supported by little or no market activity. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Convertible Notes were classified as a Level 3 financial instrument. During the year, there were no transfers of amounts between levels.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

11. Subsequent events

On August 29, 2020, in a private transaction, Hansen sold 210,000 common shares of the Company's common share to Garner along with a Convertible Note in the principal amount of $10,000 and a Demand Note in the amount of $10,304, including accrued interest through the date of sale. Garner paid total consideration of $65,000 to Hansen.

On October 19, 2020, the Company issued a convertible bridge note in the principal amount of $25,000 to Garner. The convertible bridge note accrues interest at the rate of 2.5% and matures on October 19, 2021. At maturity and upon the election of a majority of the convertible note holders, the convertible bridge note principal and any unpaid accrued interest shall convert to common shares at a price of $3.47. In the event of a financing prior to maturity, the outstanding principal and any unpaid accrued interest automatically converts to common shares at 100% of the price per share paid by other purchasers of preferred or common share in such financing.

On November 13, 2020, the Company issued a convertible bridge note in the principal amount of $50,000 to an investor. The convertible bridge note accrues interest at the rate of 2.5% and matures on October 19, 2021. At maturity, upon the election of a majority of the convertible note holders, the convertible bridge note principal and any unpaid accrued interest shall convert to common shares at a price of $3.47. In the event of a financing prior to maturity, the outstanding principal and any unpaid accrued interest automatically converts to common shares at 100% of the price per share paid by other purchasers of preferred or common shares in such financing.

On November 24, 2020, the Company issued a convertible bridge note in the principal amount of $26,000 to Mr. Andre Fraga, a member of the Board of Directors. The convertible bridge note accrues interest at the rate of 2.5% and matures on October 19, 2021. At maturity, upon the election of a majority of the convertible note holders, the convertible bridge note principal and any unpaid accrued interest shall convert to common shares at a price of $3.47. In the event of a financing prior to maturity, the outstanding principal and any unpaid accrued interest automatically converts to common shares at 100% of the price per share paid by other purchasers of preferred or common shares in such financing.

On December 2, 2020, the Company issued 10,000 common shares to a consultant as payment for business development consulting services.

On December 15, 2020, the Company issued 63,529 restricted common shares to Daren Graham, Chairman of the Board of Directors. The shares vest in equal monthly amounts over three years with the last increment vesting on December 15, 2023. Vesting will accelerate to 100% upon the event of a change of control.

On December 22, 2020, the Company issued 63,529 restricted common shares to Mr. Fraga, a member of the Board of Directors. The shares vest in equal monthly amounts over three years with the last increment vesting on December 15, 2023. Vesting will accelerate to 100% upon the event of a change of control.

On January 14, 2021, the Board of Directors approved the increase in the number of common shares authorized to 1,300,000 and the Company's Certificate of Incorporation was appropriately amended. The Board of Directors also approved a Common Share Purchase Agreement (the "Purchase Agreement") between the Company and certain purchasers for the purchase of up to an aggregate of 183,412 common shares at a purchase price of $5.45221. The Board of Directors also approved the GeneTether, Inc. 2021 Employee, Director and Consultant Equity Incentive Plan (the "Plan") reserving for the issuance of up to 199,492 common shares pursuant to the Plan.

On February 3, 2021, the Company issued a total of 22,452 common shares related to the conversion of certain convertible bridge notes and Demand Notes held by Dr. Garner, Mr. Fraga and a third-party investor.

In four separate transactions in February, March, April and July of 2021, the Company issued, pursuant to the Purchase Agreement approved by the Board of Directors in January 2021, an aggregate of 160,863 shares of common shares for gross proceeds of $877,000.

On April 21, 2021, the Company issued 6,000 common shares to a consultant as payment for executive search services.

On April 21, 2021, the Company issued 109,995 share options to the former consulting Chief Executive Officer, with an exercise price of $5.45221. Such options shall vest on the date of issuance with respect to 6,112 shares with the remaining shares vesting on the 15th day of each month thereafter, to be fully vested on February 15, 2024. The options will expire 10 years from the date of issuance. On October 13, 2021, upon the resignation of the former CEO, the Company cancelled 109,995 share options previously issued in February 2021 and issued 10,000 common shares in accordance with the resignation agreement.

On April 21, 2021, the Company issued 4,007 share options to each of three consultants for a total of 12,021 share options, each with an exercise price of $5.45221. Each such option shall vest on the date of issuance with respect to 382 shares with the remaining shares vesting on the 20th day of each month thereafter, to be fully vested on December 20, 2022. The options will expire 10 years from the date of issuance.

On July 1, 2021, the Company issued 30,000 share options to an independent consultant, with an exercise price of $5.45221. The options shall vest in equal monthly increments over three years and shall be fully vested on July 1, 2024. The options will expire 10 years from the date of issuance.

On July 30, 2021, the Company issued, pursuant to the Purchase Agreement approved by the Board of Directors in January 2021, an aggregate of 15,960 common shares for gross proceeds of $87,000.

On October 19, 2021, 285,000 share options were granted to directors and officers of the Company, including the new CEO, new CFO, and CSO, as well as 2,500 options were granted to an independent consultant.

On October 21, 2021, 50,000 share options were granted to an independent consultant.

SCHEDULE "C"
ANNUAL MD&A OF GENETETHER

[*see attached*]

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") of results of operations and financial conditions has been prepared as of October 25, 2021, and should be read in conjunction with the audited financial statements of GeneTether Inc. ("GeneTether", the "Company", "we", "our", "us" and similar expressions) for the years ended December 31, 2020 and 2019 and the auditor's report thereon which is included in this Prospectus, together with the information included under "Risk Factors", "Cautionary Note Regarding Forward-Looking Information" and "Consolidated Capitalization".

All financial information in this MD&A and audited financials of GeneTether were prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in United States dollars unless otherwise noted.

FORWARD LOOKING STATEMENTS

Certain information contained in the MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Cautionary Note Regarding Forward-Looking Information" for further details.

COMPANY OVERVIEW

Please refer to the "General Development and Business of the Company" section in our Prospectus for a description of our business and operations.

SELECTED FINANCIAL INFORMATION

The following table sets forth selected consolidated financial information with respect to the Company. The selected financial information has been derived, except where indicated, from the Company's audited financial statements for the years ended December 31, 2020 and 2019.

The following should be read in conjunction with the said financial statements, the related notes and the auditor's reports included in this Prospectus, together with the information under "*Note to Investors*", "*Risk Factors*", *Cautionary Note Regarding Forward-Looking Information" and* "*Consolidated Capitalization*".

	For the year ended December 31, 2020 (audited)	**For the year ended December 31, 2019 (audited)**
Total Revenue	$Nil	$Nil
Total Assets	**$45,389**	**$13,117**
Total Liabilities	**$123,164**	**$21,386**
Total Operating Expenses	**$71,962**	**$86,232**
Net Loss and Comprehensive Loss	**($72,966)**	**($86,741)**
Net Loss per Common Share (basic and diluted)	($0.10)	($0.12)

As of the date of this MD&A, we have not earned any revenue from the date of inception of February 12, 2018 to the date of this Prospectus and we do not expect to generate revenues in the near future.

DISCUSSION OF OPERATIONS

Comparison of the Years Ended December 31, 2020 and 2019

The following table outlines our statements of loss and comprehensive loss for the years ended December 31, 2020 and 2019:

	2020	2019	Change	
	$	$	$	%
Expenses				
General and administrative	**12,447**	32,088	**(19,641)**	-61%
Research and development	**59,388**	54,144	**5,244**	10%
Share-based compensation	**127**	—	**127**	100%
Total operating expenses	**71,962**	86,232	**(14,270)**	-17%
Loss from operations	**(71,962)**	(86,232)	**14,270**	-17%
Interest expense	**1,004**	509	**495**	97%
Net loss and comprehensive loss	**(72,966)**	(86,741)	**13,775**	-16%

General and administrative

General and administrative expenses are comprised of primarily consulting, accounting, corporate legal and professional fees. General and Administrative expenses decreased by $19,641 for the year ended December 31, 2020, compared the year ended December 31, 2019. This decrease was primarily due to a reduction in lease costs for laboratory space due to the expiration of the related lease in February of 2020. We currently outsource our research and development activities to clinical research organizations ("CROs") and are evaluating our operational requirements for potential future laboratory space to support our research and development activities.

We expect our general and administrative expenses to increase substantially for the foreseeable future as we anticipate an increase in our personnel headcount to support expansion of research and development activities, as well as to support our operations generally. We also expect an increase in expenses associated with being a public company, including costs related to accounting, audit, legal, regulatory, and tax-related services associated with maintaining compliance with applicable securities law requirements; additional director and officer insurance costs; and investor and public relations costs.

Research and development

Research and development expenses are comprised primarily of consulting fees, external contract costs, and patent fees. Research and development expenses increased by $5,244 for the year ended December 31, 2020, compared to the year ended December 31, 2019. The increase is primarily a result of increased activity related to the further development of our GeneTether platform and initiating discovery for our preclinical programs that incorporate our GeneTether platform.

Internal costs primarily consist of consulting fees paid to independent consultants in conducting activities for our research and development programs.

External costs include costs incurred under agreements with third-party CROs, contract manufacturing organizations (CMOs) and other third parties that conduct preclinical and clinical activities on our behalf and manufacture our product candidates, costs associated with acquiring technology and intellectual property licenses and other costs associated with our research and development programs, including laboratory materials and supplies.

We expect our research and development expenses to increase substantially for the foreseeable future as we seek to advance our product candidates into and through preclinical studies and clinical trials, pursue regulatory approval of our product candidates and expand our pipeline of product candidates.

LIQUIDITY, CAPITAL RESOURCES AND FINANCING

The general objectives of our capital management strategy are to preserve our capacity to continue operating, provide benefits to our stakeholders and provide an adequate return on investment to our shareholders by continuing to invest in our future that is commensurate with the level of operating risk we assume. We determine the total amount of capital required consistent with risk levels. This capital structure is adjusted on a timely basis depending on changes in the economic environment and risks of the underlying assets. We are not subject to any externally imposed capital requirements.

The financial statements and this MD&A have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The financial statements and this MD&A do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

We currently do not earn any revenues from our preclinical programs and are therefore considered to be in the research and development stage. As required, the Company will continue to finance its operations through the sale of equity or pursue non-dilutive funding sources available to the Company in the future. The continuation of our research and development activities is dependent on our ability to successfully finance and complete our research and development programs through an equity financing.

As at December 31, 2020, the Company had cash of $45,389 representing an increase of $35,277 from December 31, 2019. This increase is primarily due to $104,333 cash provided by financing offset by $69,056 cash used in operating activities.

We do not expect to generate positive cash flow from operations for the foreseeable future due to additional R&D expenses, including expenses related to drug discovery, preclinical testing, clinical trials, chemistry, manufacturing and controls and operating expenses associated with supporting these activities. It is expected that negative cash flow from operations will continue until such time, if ever, that we receive regulatory approval to commercialize any of our products under development and/or royalty or milestone revenue from any such products should they exceed our expenses.

Whether, and when, the Company can attain profitability and positive cash flows from operations is subject to material uncertainty. The above events and conditions indicate there is a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so.

Cash flows

	For the years ended December 31,	
	2020	2019
	$	$
Cash used in operating activities	**(69,056)**	(95,461)
Cash provided by financing activities	**104,333**	80,000
Net increase (decrease)	**35,277**	(15,461)
Cash, beginning of period	**10,112**	25,573
Cash, end of period	**45,389**	10,112

Cash Flows Used in Operating Activities

Cash flows used in operating activities for the year ended December 31, 2020, were $69,056 compared to cash flows used in operating activities of $95,461 for the year ended December 31, 2019. The decrease for the year ended December 31, 2020, is primarily due to a reduction in lease costs for laboratory space due to the expiration of the related lease in February of 2020.

Cash Flows from Financing Activities

Cash flows from financing activities for the year ended December 31, 2020, were $104,333 compared to $80,000 for the year ended December 31, 2019. The increase for the year ended December 31, 2020, is primarily due to increased proceeds from issuance of notes payables compared to December 31, 2019.

CONTRACTUAL OBLIGATIONS

We have no significant contractual arrangements other than those noted in our audited financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to certain risks as summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from deposits with banks and outstanding receivables. The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional

financing to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital, cash flows and the issuance of share capital.

The Company is obligated to the following contractual maturities of undiscounted cash flows as at December 31, 2020:

	Carrying amount	Contractual cash flows	Year 1	Year 2 and beyond
	$	$	$	$
Trades and other payables	1,030	1,030	1,030	—
Notes payable	122,134	122,134	122,134	—
	123,164	**123,164**	**123,164**	**—**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates. The Company is not exposed to foreign currency exchange risk as it has no financial instruments denominated in a foreign currency and all of the Company's transactions are primarily in United States dollars, which is also the Company's functional currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as at December 31, 2020, as the interest rate on the notes payable is fixed at 2.5% per annum.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices [other than those arising from interest rate risk or currency risk], whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risks as at December 31, 2020.

Fair values

The carrying values of cash, trade and other payables and notes payable approximate the fair values due to the short-term nature of these items. The risk of material change in fair value is not considered to be significant due to a relatively short-term nature. The Company does not use derivative financial instruments to manage this risk.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The

three levels of the fair value hierarchy are defined as follows:

- Level 1 – Unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.
- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Significant unobservable inputs that are supported by little or no market activity. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling activities of the entity, directly or indirectly.

On February 22, 2019, two members of the Board of Directors, Mr. Albert Hansen, through KESA Partners, Inc., and Dr. William J. Garner, each purchased 60,000 common shares for $20,000.

On June 12, 2019, the Company issued, to each of Dr. Garner and KESA Partners, demand notes in the principal amount of $10,000.

On November 14, 2019, the Company issued to each of Dr. Garner and KESA Partners, a convertible bridge note in the principal amount of $10,000. On August 29, 2020, Dr. Garner purchased all shares and demand notes owned by KESA Partners. On October 19, 2020, the Company issued a convertible bridge note to Dr. Garner in the principal amount of $25,000. On December 31, 2020, the Company issued 60,000 common shares to Dr. Garner related to the conversion of two convertible bridge notes held by him. On February 3, 2021, the Company issued 8,438 common shares to Dr. Garner related to the conversion of a convertible bridge note and a demand note held by him.

On November 24, 2020, the Company issued a convertible bridge note to a Board member, Mr. Fraga, in the principal amount of $26,000. On February 3, 2021, the Company issued 4,792 common shares to Mr. Fraga related to the conversion of a convertible bridge note held by him.

There was no key management personnel compensation for the years ended December 31, 2020 and 2019.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Refer to Note 2 and Note 3 of the audited financial statements for the year ended December 31, 2020, for a full discussion of our critical accounting policies and estimates.

OUTSTANDING SHARE DATA

The Company is authorized to issue 1,300,000 common shares of the Company. All common shares have a par value of $0.001.

Each holder of common shares is entitled to one vote for each share owned on all matters voted upon by shareholders. In the event the Company liquidates, dissolves or wind-ups the operations, the holders of the common shares are entitled to share equally and ratably in the Company's assets, if any, remaining after the payment of all the Company's debts and liabilities and the liquidation preference of any shares of preferred share that may then be outstanding. The common shares have no preemptive rights, no cumulative voting rights, and no redemption, sinking fund, or conversion provisions.

Holders of common shares are entitled to receive dividends, if and when declared by the Board of Directors, out of funds legally available for such purpose, subject to the dividend and liquidation rights of any preferred share that may then be outstanding.

The Company's outstanding capital was as follows as at the date of this MD&A:

Common shares	1,014,025
Share options	379,521
Restricted common shares	102,348

SUBSEQUENT EVENTS

On January 14, 2021, the Board of Directors approved the increase in the number of common shares authorized to 1,300,000 and the Company's Certificate of Incorporation was appropriately amended. The Board of Directors also approved a Common Share Purchase Agreement (the "Purchase Agreement") between the Company and certain purchasers for the purchase of up to an aggregate of 183,412 common shares at a purchase price of $5.45221. The Board of Directors also approved the GeneTether, Inc. 2021 Employee, Director and Consultant Equity Incentive Plan (the "Plan") reserving for the issuance of up to 199,492 common shares pursuant to the Plan.

On February 3, 2021, the Company issued a total of 22,452 common shares related to the conversion of certain convertible bridge notes and Demand Notes held by Dr. Garner, Mr. Fraga and a third-party investor.

In four separate transactions in February, March, April and July of 2021, the Company issued, pursuant to the Purchase Agreement approved by the Board of Directors in January 2021, an aggregate of 160,863 shares of common shares for gross proceeds of $877,000.

On April 21, 2021, the Company issued 6,000 common shares to a consultant as payment for executive search services.

On April 21, 2021, the Company issued 109,995 share options to the former consulting Chief Executive Officer, with an exercise price of $5.45221. Such options shall vest on the date of issuance with respect to 6,112 shares with the remaining shares vesting on the 15th day of each month thereafter, to be fully vested on February 15, 2024. The options will expire 10 years from the date of issuance. On October 13, 2021, upon the resignation of the former CEO, the Company cancelled 109,995 share options previously issued in February 2021 and issued 10,000 common shares in accordance with the resignation agreement.

On April 21, 2021, the Company issued 4,007 share options to each of three consultants for a total of 12,021 share options, each with an exercise price of $5.45221. Each such option shall vest on the date of issuance with respect to 382 shares with the remaining shares vesting on the 20th day of each month thereafter, to be fully vested on December 20, 2022. The options will expire 10 years from the date of issuance.

On July 1, 2021, the Company issued 30,000 share options to an independent consultant, with an exercise price of $5.45221. The options shall vest in equal monthly increments over three years and shall be fully vested on July 1, 2024. The options will expire 10 years from the date of issuance.

On July 30, 2021, the Company issued, pursuant to the Purchase Agreement approved by the Board of Directors in January 2021, an aggregate of 15,960 common shares for gross proceeds of $87,000.

On October 19, 2021, 285,000 share options were granted to directors and officers of the Company, including the new CEO, new CFO, and CSO.

On October 21, 2021, 50,000 share options were granted to an independent consultant.

RISKS AND UNCERTAINTIES

See "*Risk Factors*" section in our Prospectus.

SCHEDULE "D"
INTERIM FINANCIAL STATEMENTS OF GENETETHER

[*see attached*]

Condensed interim financial statements

GeneTether Inc.

For the three and nine months ended September 30, 2021 and 2020

GeneTether Inc.

Condensed interim statements of financial position

[unaudited] [expressed in United States dollars]

[see going concern uncertainty – note 1]

As at	Notes	September 30, 2021 $	December 31, 2020 $
Assets			
Current assets			
Cash		**553,493**	45,389
Prepaid expenses		**57,290**	—
Total current assets		**610,783**	45,389
Total assets		**610,783**	45,389
Liabilities			
Current liabilities			
Trade and other payables		**90,166**	1,030
Notes payable	3	**—**	122,134
Total current liabilities		**90,166**	123,164
Total liabilities		**90,166**	123,164
Shareholders' equity (deficiency)			
Share capital	4	**1,012**	790
Contributed surplus		**1,837,575**	162,770
Accumulated deficit		**(1,317,970)**	(241,335)
Total shareholders' equity (deficiency)		**520,617**	(77,775)
Total liabilities and shareholders' equity		**610,783**	45,389
Commitments and contingencies	*7*		
Subsequent events	*9*		

The accompanying notes are an integral part of these condensed interim financial statements.

On behalf of the Board:

"Signed"
Director - Daren Graham

DocuSigned by:
Daren Graham
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"Signed"
Director - William Garner

DocuSigned by:
WILLIAM GARNER
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GeneTether Inc.

Condensed interim statements of loss and comprehensive loss

[unaudited] [expressed in United States dollars, except share amounts]

	Notes	For the three months ended September 30, 2021 $	2020 $	For the nine months ended September 30, 2021 $	2020 $
Expenses					
General and administrative		**161,517**	190	**246,314**	4,180
Research and development		**76,189**	—	**152,102**	8,793
Share-based compensation	5	**195,342**	—	**677,906**	—
Total operating expenses		**433,048**	190	**1,076,322**	12,973
Loss from operations		**(433,048)**	(190)	**(1,076,322)**	(12,973)
Interest expense		**10**	188	**313**	499
Net loss and comprehensive loss		**(433,058)**	(378)	**(1,076,635)**	(13,472)
Net loss per share, basic and diluted	6	**(0.43)**	(0.00)	**(1.15)**	(0.02)
Weighted average number of shares outstanding – basic and diluted	6	**1,001,479**	720,000	**935,643**	720,000

The accompanying notes are an integral part of these condensed interim financial statements.

GeneTether Inc.

Condensed interim statements of changes in shareholders' equity [deficiency]

For the periods ended September 30, 2021 and 2020
[unaudited] [expressed in United States dollars, except share amounts]

	Common shares		Contributed surplus	Deficit	Total
	#	$	$	$	$
Balance, December 31, 2019	**720,000**	**720**	**159,380**	**(168,369)**	**(8,269)**
Net loss and comprehensive loss for the period	—	—	—	(13,472)	(13,472)
Balance, September 30, 2020	**720,000**	**720**	**159,380**	**(181,841)**	**(21,741)**
Balance, December 31, 2020	**790,000**	**790**	**162,770**	**(241,335)**	**(77,775)**
Vesting of restricted common stock *[note 5]*	31,770	32	(32)	—	—
Issuance of common stock upon convertible bridge note conversions *[note 4]*	18,633	19	101,572	—	101,591
Issuance of common stock upon demand note conversions *[note 4]*	3,819	4	20,821	—	20,825
Issuance of common stock for services *[note 4]*	6,000	6	32,707	—	32,713
Issuance of common stock for cash, net *[note 4]*	160,863	161	874,544	—	874,705
Share-based compensation *[note 5]*	—	—	645,193	—	645,193
Net loss and comprehensive loss for the period	—	—	—	(1,076,635)	(1,076,635)
Balance, September 30, 2021	**1,011,085**	**1,012**	**1,837,575**	**(1,317,970)**	**520,617**

The accompanying notes are an integral part of these condensed interim financial statements.

GeneTether Inc.

Condensed interim consolidated statements of cash flows

For the nine months ended September 30, 2021 and 2020
[unaudited] [expressed in United States dollars]

	2021 $	2020 $
Operating activities		
Net loss for the period	**(1,076,635)**	(13,472)
Add items not affecting cash		
Share-based compensation	**677,906**	—
Changes in non-cash working capital balances		
Prepaid expenses	**(57,290)**	—
Security deposits	**—**	2,700
Trade and other payables	**89,418**	1,080
Cash used in operating activities	**(366,601)**	(9,692)
Financing activities		
Proceeds from issuance of common shares, net of issuance costs	**874,705**	—
Cash provided by financing activities	**874,705**	—
Net increase (decrease)	**508,104**	(9,692)
Cash, beginning of period	**45,389**	10,112
Cash, end of period	**553,493**	420

The accompanying notes are an integral part of these condensed interim financial statements.

1. Nature of business

GeneTether Inc. (the "Company" or "GeneTether") is a biopharmaceutical company focused on the development of high efficiency precision gene editing for human therapeutics and applications. The Company was incorporated in Delaware on February 12, 2018, with the initial capitalization occurring on March 30, 2018.

The Company's headquarters and all of the Company's assets are located in San Francisco, California.

On October 13, 2021, GeneTether Therapeutics Inc. ("GeneTether Therapeutics") was incorporated in British Columbia, Canada. GeneTether Therapeutics was created to acquire and hold all of the shares of common stock of the Company pursuant to a share exchange transaction among the shareholders of the Company, the Company, and GeneTether Therapeutics (the "Reorganization"). Pursuant to the Reorganization, prior to the completion of an initial public offering (the "Offering"), the shareholders of the Company will exchange all of their issued and outstanding shares of the Company's common stock for common shares of GeneTether Therapeutics on a 37.32:1 basis (Note 9).

Going concern uncertainty

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

As at September 30, 2021, the Company is pre-revenue, has not initiated commercial sale of product and has an accumulated deficit of $1,317,970 (December 31, 2020 – $241,335). The Company's working capital position as at September 30, 2021 is a surplus of $520,617 (December 31, 2020 – $77,775 deficit). Whether, and when, the Company can attain profitability and positive cash flows from operations is subject to material uncertainty. The above events and conditions indicate there is a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so. The Company will need to raise additional capital in order to fund its planned operations and meet its obligations. While the Company has been successful in obtaining financing to date and believes it will be able to obtain sufficient funds in the future and ultimately achieve profitability and positive cash flows from operations, there can be no assurance that the Company will achieve profitability and be able to do so in the future on terms favourable for the Company.

2. Basis of presentation

Statement of compliance

These unaudited condensed interim financial statements ("financial statements") were prepared using the same accounting policies and methods as those used in the Company's audited financial statements for the year ended December 31, 2020. These financial statements have been prepared in compliance with IAS 34 – *Interim Financial Reporting, as issued by the International Accounting Standards Board* ("IASB"). Accordingly, certain disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. These financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2020.

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on November 22, 2021.

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. Historical costs are generally based upon the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional currency and presentation currency

These financial statements are presented in United States dollars, which is the Company's functional currency.

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, consistent with those disclosed in the audited financial statements for the year ended December 31, 2020 and described in these financial statements. Actual results could differ from these estimates.

Estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Notes payable

Demand Notes

On June 12, 2019, the Company issued two demand bridge notes in the principal amount of $10,000 each (the "Demand Notes") to two members of the Board of Directors. These Demand Notes become due and payable upon 90 days' notice from the holder and accrue interest at the rate of 2.5% per annum.

On February 3, 2021, the Company issued a total of 3,819 common shares related to the conversion of the Demand Notes principal and accrued interest of $825 at a conversion price of $5.45221.

Convertible Bridge Notes

During the year ended December 31, 2020, the Company issued convertible bridge notes to certain members of the Board of Directors and an investor.

On February 3, 2021, the Company issued a total of 18,633 common shares related to the conversion of the convertible bridge notes. The convertible bridge notes and all accrued but unpaid interest were converted in their

[unaudited] [expressed in United States dollars, except share amounts]

entirety as a result of the Company entering into the Purchase Agreement (as defined in Note 4). The Purchase Agreement met the terms for a qualified financing arrangement pursuant to the convertible bridge note agreements and triggered the conversion of the convertible bridge notes at the price paid per share under the Purchase Agreement of $5.45221 (see Note 4).

4. Share capital

[a] Authorized

On January 14, 2021, the Board of Directors approved the increase in the number of shares of common shares authorized from 1,000,000 to 1,300,000 and the Company's Certificate of Incorporation was appropriately amended. All common shares have a par value of $0.001. The Board of Directors also approved a Common Share Purchase Agreement (the "Purchase Agreement") between the Company and certain purchasers for the purchase of up to an aggregate of 183,412 common shares at a purchase price of $5.45221.

Each holder of common shares is entitled to one vote for each share owned on all matters voted upon by shareholders. In the event the Company liquidates, dissolves or wind-ups the operations, the holders of the common shares are entitled to share equally and ratably in the Company's assets, if any, remaining after the payment of all the Company's debts and liabilities and the liquidation preference of any shares or preferred shares that may then be outstanding. The common shares have no preemptive rights, no cumulative voting rights, and no redemption, sinking fund, or conversion provisions.

Holders of common shares are entitled to receive dividends, if and when declared by the Board of Directors, out of funds legally available for such purpose, subject to the dividend and liquidation rights of any preferred shares that may then be outstanding.

[b] Issued and outstanding

Reconciliation of the Company's share capital is as follows:

	Common shares	
	#	$
Balance, December 31, 2019 and September 30, 2020	**720,000**	**720**
Balance, December 31, 2020	**790,000**	**790**
Vesting of restricted common shares	31,770	32
Issuance of common shares upon convertible bridge note conversions [i]	18,633	19
Issuance of common shares upon demand note conversion [i]	3,819	4
Issuance of common shares for services [ii]	6,000	6
Issuance of common shares for cash, net [iii]	160,863	161
Balance, September 30, 2021	**1,011,085**	**1,012**

[i] On February 3, 2021, the Company issued 4,619 common shares to Dr. William Garner ("Dr. Garner"), a member of the Board of Directors, related to the conversion of a convertible bridge note held by Dr. Garner in the amount of $25,183, including accrued interest of $183. The Company also issued 3,819 common shares to Dr. Garner for the conversion of a Demand Note held by Dr. Garner in the amount of $20,000 and accrued interest of $825.

[unaudited] [expressed in United States dollars, except share amounts]

On February 3, 2021, the Company issued 9,222 common shares to an investor related to the conversion of a convertible bridge note in the amount of $50,281 including accrued interest of $281.

On February 3, 2021, the Company issued 4,792 common shares to Mr. Andre Fraga ("Mr. Fraga"), a member of the Board of Directors, related to the conversion of a convertible bridge note in the amount of $26,126 including accrued interest of $126.

[ii] On April 21, 2021, the Company issued 6,000 common shares to a consultant as payment for executive search services in the amount of $32,713. The expense was recognized in the statement of loss and comprehensive loss within share-based compensation expense.

[iii] In four separate transactions in February, March, April and July of 2021, the Company issued, pursuant to the Purchase Agreement approved by the Board of Directors in January 2021, an aggregate of 160,863 common shares at $5.45221 per share, for gross proceeds of $877,000. The Company incurred cash transaction costs of $2,295.

5. Share-based compensation

On January 14, 2021, the Board of Directors approved the GeneTether, Inc. 2021 Employee, Director and Consultant Equity Incentive Plan (the "2021 Plan" or the "Equity Plan") reserving for the issuance of up to 199,492 common shares pursuant to the 2021 Plan.

The 2021 Plan provides for the granting of incentive share options, non-qualified share options, share appreciation rights, and restricted share and other share awards. Options granted and shares underlying share awards issued under the 2021 Plan vest over periods determined by the Compensation Committee of the Board of Directors.

All non-qualified share options were issued to non-employees. The options are exercisable for a period not to exceed ten years and vesting for the options range from being 0% to 6% immediately vested with the remainder vesting over a range of 20 to 36 months.

[i] Share options

The changes in the number of share options during the period ending September 30, 2021, and 2020 is as follows:

	Number of options	Weighted average exercise price
	#	$
Outstanding as at December 31, 2020	—	—
Granted	152,016	5.45
Outstanding as at September 30, 2021	**152,016**	**5.45**
Exercisable as at September 30, 2021	**26,497**	**5.45**

[unaudited] [expressed in United States dollars, except share amounts]

Measurement of fair values

The fair value of share options granted during the three and nine months ended September 30, 2021, was estimated using a Black-Scholes option pricing model with the following inputs:

	September 30, 2021
Grant date share price	**$5.45**
Exercise price	**$5.45**
Expected dividend yield	**—**
Risk free interest rate	**1.03% - 1.06%**
Expected life	**6 years**
Expected volatility	**69%**

The expected volatility was estimated using the volatility of publicly traded companies that the Company considered to be comparable. The expected option life represents the period of time that options granted are expected to be outstanding. The risk-free interest rate is based on government bonds with a term equal to the expected life of the options.

The following table is a summary of the Company's share options as at September 30, 2021:

Options outstanding			**Options exercisable**	
Exercise price $	Number outstanding #	Weighted average remaining contractual life [years] #	Exercise price $	Number exercisable #
5.452	152,016	9.41	5.452	26,497
5.452	**152,016**	**9.41**	**5.452**	**26,497**

The Company recognized $106,592 and $225,900 of share-based compensation expenses during the three and nine months ended September 30, 2021 (2020 – $nil and $nil) related to share options. There were no share options outstanding as of September 30, 2020.

[ii] Restricted Common Shares

The change in the number of restricted common shares during the period ended September 30, 2021, is as follows:

	Number of restricted common shares #
Balance, December 31, 2020	127,058
Common shares vested	(31,770)
Balance, September 30, 2021	**95,288**

The Company recognized $88,750 and $419,293 of share-based compensation expenses during the three and nine months ended September 30, 2021 (2020 – $nil and $nil) related to restricted common shares.

[unaudited] [expressed in United States dollars, except share amounts]

6. Loss per share

Net loss per common share represents net loss attributable to common shareholders divided by the weighted average number of common shares outstanding during the period.

Diluted loss per common share is calculated by dividing the applicable net loss by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive common shares had been issued during the period.

For all the periods presented, diluted loss per share equals basic loss per share due to the anti-dilutive effect of convertible bridge notes and share options. The outstanding number and type of securities that could potentially dilute basic net loss per share in the future but would have decreased the loss per share [anti-dilutive] for the periods presented are as follows:

	September 30, 2021	September 30, 2020
	#	#
Convertible bridge notes	—	60,000
Share options	152,016	—
Restricted common shares	95,288	—
	247,300	**60,000**

7. Commitments and contingencies

Commitments

As at September 30, 2021, the Company had no long-term commitments.

Contingencies

In the ordinary course of business, from time to time, the Company may be involved in various claims related to operations, rights, commercial, employment or other claims. Although such matters cannot be predicted with certainty, management does not consider the Company's exposure to such claims to be material to these financial statements.

8. Related party transactions

On February 3, 2021, the Company issued 8,438 common shares to Dr. Garner related to the conversion of a convertible bridge note and a Demand Note held by him.

On February 3, 2021, the Company issued 4,792 common shares to Mr. Fraga related to the conversion of a convertible bridge note held by him.

[unaudited] [expressed in United States dollars, except share amounts]

Key management personnel compensation during the three and nine months ended September 30, 2021, and 2020 consisted of the following:

	For the three months ended September 30,		**For the nine months ended September 30,**	
	2021	2020	**2021**	2020
	$	$	**$**	$
Share-based compensation	**157,608**	—	592,411	—
Consulting fees	**52,446**	—	98,033	—
Total	**210,054**	—	690,444	—

9. Subsequent events

On October 13, 2021, upon the termination of the agreement with the former CEO, the Company cancelled 109,995 share options previously issued in February 2021 and issued 10,000 common shares in accordance with an agreement between the Company and the former consulting CEO.

On October 19, 2021, 285,000 share options were granted to directors and officers of the Company. The Board of Directors also approved an increase to the number of shares of common shares available for issuance pursuant to the Equity Plan from 199,942 to 425,000.

On October 21, 2021, 50,000 share options were granted to an independent consultant.

On November 8, 2021, GeneTether Therapeutics announced that it has filed a preliminary prospectus for a proposed initial public offering and has applied to list its common shares on the TSX Venture Exchange (“TSXV”). The listing is subject to the approval of the TSXV in accordance with its listing requirements.

SCHEDULE "E"
INTERIM MD&A OF GENETETHER

[*see attached*]

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") of results of operations and financial conditions has been prepared as of November 22, 2021, and should be read in conjunction with the audited financial statements of GeneTether Inc. ("GeneTether", the "Company", "we", "our", "us" and similar expressions) for the years ended December 31, 2020 and 2019 and the auditor's report thereon and the unaudited financial statements for the three and nine months ended September 30, 2021 and 2020, together with the information included under "Risk Factors", "Cautionary Note Regarding Forward-Looking Information" and "Consolidated Capitalization" in the Company's Amended and Restated Preliminary Prospectus dated January 27, 2022, which can be found on SEDAR at www.sedar.com.

All financial information in this MD&A and audited financials of GeneTether were prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in United States dollars unless otherwise noted.

FORWARD LOOKING INFORMATION

Certain information contained in the MD&A is forward-looking and contains "forward-looking information" within the meaning of applicable securities laws in Canada. Forward-looking information may relate to our future outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, budgets, operations, financial results, taxes, dividend policy, plans, or objectives. Particularly, information regarding our expectations of future results, performance, achievements, prospects or opportunities, or the markets in which we operate is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "outlook", "prospects", "strategy", "intends", "believes", or variations (including negative and grammatical variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might", "will", "occur" or "be achieved". In addition, any statements that refer to expectations, intentions, projections, or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances.

Forward-looking information contained in this MD&A and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct.

The forward-looking information in this MD&A represents our expectations as of the date of this MD&A. The Company does not, and will not, have any policies to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada.

COMPANY OVERVIEW

We are an innovative genetic medicines company focused on creating best-in-class gene editing therapies based on our proprietary GeneTether™ platform. We are currently building a discovery pipeline focused on the treatment of rare, monogenic diseases of the kidney and the skin. We believe that our GeneTether platform may have broad applicability and we are exploring other potential uses, including for the treatment of genetic diseases in in organs beyond the kidney and skin. Our GeneTether platform may also allow for high fidelity engineering of cells to permanently deliver the therapeutic proteins necessary to treat certain genetic diseases.

Our GeneTether platform has the potential to significantly improve upon current gene editing methods by actively positioning reparative DNA fragments, which are referred to as donor DNA templates, near the

location of double strand breaks in a cell's DNA. These double strand breaks can be created by certain types of DNA-cutting tools, including CRISPR/Cas9. Donor DNA templates contain normal copies or fragments of the mutated, disease-causing genes of interest. By positioning a donor DNA template directly at the site of a double strand break, our GeneTether platform drives the DNA repair process towards homology-directed repair (HDR), a cellular repair mechanism that incorporates the genetic information of a DNA template, rather than the error-prone process of non-homologous end joining (NHEJ). We refer to this as "gene correction." HDR can only take place when a DNA template, either natural or externally delivered, is near the site of a strand break at the time the cell's repair process is initiated. When gene correction occurs in enough cells, the disease caused by the underlying genetic mutation can potentially be cured permanently.

Utilizing HDR, donor DNA templates can also be used to integrate a functional piece of genetic information into genomic safe harbours when the direct correction of a mutated gene is not required for a curative effect. Genomic safe harbours are sites in the genome able to accommodate the integration of new genetic material in a manner that ensures that the newly inserted genetic elements function predictably and do not cause alterations of the host genome posing a risk to the host cell or organism. When functional genetic elements are integrated at safe harbours, we refer to this as "gene complementation." Gene complementation can be utilized in several ways, including the addition of genetic instructions for the production of proteins that alleviate or eliminate certain genetic and non-genetic "loss-of-function" diseases. As with gene correction, gene complementation may potentially result in a permanent cure for these diseases.

Most current gene correction and complementation methods simply diffuse donor DNA templates into the cell along with the gene editing machinery required to locate and cut a particular site in a cell's genome. This method relies on the random chance that a donor DNA template will be in close enough proximity to the double strand break that the repair process takes place via HDR. The result is that the number of donor DNA templates incorporated into target cells' DNA via HDR is very low and the incidence of NHEJ is very high. By significantly increasing HDR and decreasing NHEJ, we believe our GeneTether platform will not only allow development of safer and more efficacious gene correction and complementation therapies, but will also reduce the time and expense of their production and implementation. The result is a next-generation gene editing platform that has the potential to make therapeutic applications of gene correction and complementation viable across a large number of diseases and on a large scale.

While we are currently an early-stage preclinical stage company and have not yet finalized a lead product candidate, based on the results of our proof-of-concept study in human cells, we believe that products incorporating our GeneTether platform have the potential to reach previously untreatable or under-treated patients and address new indications, thereby unlocking the full potential of gene editing therapies.

SELECTED FINANCIAL INFORMATION

The following table sets forth selected financial information with respect to the Company. The selected financial information has been derived, except where indicated,from the unaudited financial statements for the three and nine months ended September 30, 2021 and 2020.

The following should be read in conjunction with the said financial statements, the related notes and the auditor's reports included in this Prospectus, together with the information under "*Note to Investors*", "*Risk Factors*", "*Consolidated Capitalization*" and "*Management's Discussion and Analysis*".

	For the three months ended September 30, (unaudited)		**For the nine months ended September 30, (unaudited)**	
	2021	**2020**	**2021**	**2020**
	$	$	**$**	$
Total Revenue	**Nil**	Nil	**Nil**	Nil
Total Assets	**610,783**	725	**610,783**	725
Total Liabilities	**90,166**	22,465	**90,166**	22,465
Total Operating Expenses	**433,048**	190	**1,076,322**	12,973
Net Loss and Comprehensive Loss	**(433,058)**	(378)	**(1,076,635)**	(13,472)
Net Loss per Common Share (basic and diluted)	**(0.43)**	(0.00)	**(1.15)**	(0.02)

As of the date of this MD&A, we have not earned revenue from the date of inception of February 12, 2018 and we do not expect to generate revenues in the near future.

DISCUSSION OF OPERATIONS

Comparison of the Three and Nine Months Ended September 30, 2021, and 2020

The following table outlines our statements of loss and comprehensive loss for the three and nine months ended September 30, 2021, and 2020:

	For the three months ended September 30,				**For the nine months ended September 30,**			
	2021	**2020**	**Change**		**2021**	**2020**	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Expenses								
General and administrative	**161,517**	190	161,327	84,909%	**246,314**	4,180	242,134	5,793%
Research and development	**76,189**	—	76,189	100%	**152,102**	8,793	143,309	1,630%
Share-based compensation	**195,342**	—	195,342	100%	**677,906**	—	677,906	100%
Total operating expenses	**433,048**	190	432,858	227,820%	**1,076,322**	12,973	1,063,349	8,197%
Loss from operations	**(433,048)**	(190)	(432,858)	227,820%	**(1,076,322)**	(12,973)	(1,063,349)	8,197%
Interest expense	**10**	188	(178)	-95%	**313**	499	(186)	-37%
Net loss and comprehensive loss	**(433,058)**	(378)	(432,680)	114,466%	**(1,076,635)**	(13,472)	(1,063,163)	7,892%
Net loss per share, basic and diluted	**(0.43)**	(0.00)			**(1.15)**	(0.02)		

General and administrative ("G&A")

General and administrative expenses are comprised primarily of consulting, accounting, corporate legal and professional fees. G&A expenses increased by $161,327 and $242,134 for the three and nine months ended September 30, 2021, respectively, compared to the equivalent periods in the prior year. This

increase was primarily a result of an increase in legal costs, consulting fees and audits fees related to financing preparation activities and general support of corporate activities.

We expect our G&A expenses to increase substantially for the foreseeable future as we anticipate an increase in our personnel headcount to support expansion of R&D activities, as well as to support our operations generally. We also expect an increase in expenses associated with being a public company, including costs related to accounting, audit, legal, regulatory, and tax-related services associated with maintaining compliance with applicable securities law requirements; additional director and officer insurance costs; and investor and public relations costs.

Research and development ("R&D")

Research and development expenses are comprised primarily of consulting fees and external contract costs. R&D expenses increased by $76,189 and $143,309 for the three and nine months ended September 30, 2021, respectively, compared to the equivalent periods in the prior year. The increase is primarily a result of increased activity related to further development of our GeneTether platform and initiating discovery for our preclinical programs that incorporate our GeneTether platform. See "General Development and Business of the Company" section in our Prospectus for more details about our GeneTether platform and preclinical programs.

Internal costs primarily consist of consulting fees paid to independent consultants in conducting activities for our R&D programs.

External costs include costs incurred under agreements with third-party contract research organizations (CROs), contract manufacturing organizations (CMOs) and other third parties that conduct preclinical and clinical activities on our behalf and manufacture our product candidates, and other costs associated with our R&D programs, including laboratory materials and supplies.

We expect our R&D expenses to increase substantially for the foreseeable future as we seek to advance our product candidates into and through preclinical studies and clinical trials, pursue regulatory approval of our product candidates and expand our pipeline of product candidates

Share-based compensation

Share-based compensation increased by $195,342 and $677,906 for the three and nine months ended September 30, 2021, respectively, compared to the equivalent periods in the prior year. This increase was primarily related to the vesting of share options and restricted common shares during the three and nine months ended September 30, 2021.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected unaudited quarterly statements of operations data for each of the seven quarters commencing January 1, 2020 and ending September 30, 2021. The information for each of these quarters has been prepared on the same basis as the audited annual financial statements for the year ended December 31, 2020, and the unaudited consolidated interim financial statements for the three and nine months ended September 30, 2021. This data should be read in conjunction with our audited annual financial statements for the year ended December 31, 2020, and the unaudited financial statements for the period ended September 30, 2021. These quarterly operating results are not necessarily indicative of our operating results for a full year or any future period.

	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
	$	$	$	$	$	$	$
Total operating expenses	433,048	384,943	258,331	58,989	190	2,613	10,170
Net loss and comprehensive loss	(433,058)	(384,950)	(258,627)	(59,494)	(378)	(2,778)	(10,316)
Net loss per share, basic and diluted	(0.43)	(0.40)	(0.32)	(0.08)	(0.00)	(0.00)	(0.01)

Beginning with the quarter ended March 31, 2021, the Company's total operating expenses increased significantly and have continued to increase following the completion of the first private placement financing from which the Company raised approximately $1.0 million resulting from issuing 183,315 common shares at $5.45221 per share.

R&D expenses increased beginning with the quarter ended March 31, 2021 as we expanded our R&D efforts by engaging an R&D consulting firm in March 2021, initiating a series of experiments with ZeClinics in April 2021, and initiating a series of experiments with University of California Davis in May 2021. See "General Development and Business of the Company" section in the Prospectus for more details about the Company's GeneTether platform and preclinical programs.

G&A expenses increased beginning with the quarter ended March 31, 2021 as we began preparing for our initial public offering. Further, additional members to the Board were appointed in January 2021 and a consulting CEO was engaged in February 2021.

LIQUIDITY, CAPITAL RESOURCES AND FINANCING

The general objectives of our capital management strategy are to preserve our capacity to continue operating, provide benefits to our stakeholders and provide an adequate return on investment to our shareholders by continuing to invest in our future in a manner that is commensurate with the level of operating risk we assume. We determine the total amount of capital required consistent with risk levels. This capital structure is adjusted on a timely basis depending on changes in the economic environment and risks of the underlying assets. We are not subject to any externally imposed capital requirements.

The financial statements and this MD&A have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The financial statements and this MD&A do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

We currently do not earn any revenues from our preclinical programs and are therefore considered to be in the R&D stage. As required, the Company will continue to finance its operations through the sale of equity or pursue non-dilutive funding sources available to the Company in the future. The continuation of our R&D activities is dependent on our ability to obtain financing.

As at September 30, 2021, the Company had cash of $553,493 representing an increase of $508,104 from December 31, 2020. This increase is primarily due to $874,705 of cash provided by financing activities offset by $366,601 of cash used in operating activities.

We do not expect to generate positive cash flow from operations for the foreseeable future due to additional R&D expenses, including expenses related to drug discovery, preclinical testing, clinical trials, chemistry, manufacturing and controls and operating expenses associated with supporting these activities. It is expected that negative cash flow from operations will continue until such time, if ever, that we receive regulatory approval to commercialize any of our products under development and/or we receive royalty or milestone revenue from any such products that exceeds our expenses.

Whether, and when, the Company can attain profitability and positive cash flows from operations is subject to material uncertainty. The above events and conditions indicate there is a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so.

Cash flows

	For the nine months ended September 30,	
	2021	2020
	$	$
Cash used in operating activities	**(366,601)**	(9,692)
Cash provided by financing activities	**874,705**	—
Net increase (decrease)	**508,104**	(9,692)
Cash, beginning of period	**45,389**	10,112
Cash, end of period	**553,493**	420

Cash Flows Used in Operating Activities

Cash flows used in operating activities for the nine months ended September 30, 2021 were $366,601, compared to cash flows used in operating activities of $9,692 for the nine months ended September 30, 2020. The increase is primarily due to increased operational activity in further developing our GeneTether platform and initiating discovery for our preclinical programs that incorporate our GeneTether platform.

Cash Flows Provided by Financing Activities

Cash flows provided by financing activities for the nine months ended September 30, 2021, were $874,705 compared to $nil for the nine months ended September 30, 2020. The increase is due to proceeds from the issuance of common shares during the nine months ended September 30, 2021.

CONTRACTUAL OBLIGATIONS

We have no significant contractual arrangements other than those noted in our financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to certain risks as summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from deposits with banks and outstanding receivables. The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional capital to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital and cash flows and the issuance of share capital.

The Company is obligated to the following contractual maturities of undiscounted cash flows as at September 30, 2021:

	Carrying amount	Contractual cash flows	Year 1	Year 2 and beyond
	$	$	$	$
Trades and other payables	90,166	90,166	90,166	—
	90,166	**90,166**	**90,166**	**—**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates. The Company is not exposed to foreign currency exchange risk as it has no financial instruments denominated in a foreign currency and the Company's transactions are primarily in United States dollars, which is also the Company's functional currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as at September 30, 2021.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risks as at September 30, 2021.

Fair values

The carrying values of cash and trade and other payables approximate the fair values due to the short-term nature of these items. The risk of material change in fair value is not considered to be significant due to a relatively short-term nature. The Company does not use derivative financial instruments to manage this risk.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

- Level 1 – Unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.
- Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Significant unobservable inputs that are supported by little or no market activity. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling activities of the entity, directly or indirectly.

On February 3, 2021, the Company issued 8,438 common shares to Dr. Garner related to the conversion of a convertible bridge note and a Demand Note held by him.

On February 3, 2021, the Company issued 4,792 common shares to Mr. Fraga related to the conversion of a convertible bridge note held by him.

Key management personnel compensation during the three and nine months ended September 30, 2021 and 2020 consisted of the following:

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	2021	2020
	$	$	$	$
Share-based compensation	**157,608**	—	592,411	—
Consulting fees	**52,446**	—	98,033	—
Total	**210,054**	—	690,444	—

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Refer to Note 2 and Note 3 of the audited financial statements for the year ended December 31, 2020, for a full discussion of our critical accounting policies and estimates.

OUTSTANDING SHARE DATA

The Company is authorized to issue 1,300,000 of its common shares, with a par value of $0.001.

Each holder of common shares is entitled to one vote for each share owned on all matters voted upon by shareholders. In the event the Company liquidates, dissolves or wind-ups the operations, the holders of the common shares are entitled to share equally and ratably in the Company's assets, if any, remaining after the payment of all the Company's debts and liabilities and the liquidation preference of any shares of preferred share that may then be outstanding. The common shares have no preemptive rights, no cumulative voting rights, and no redemption, sinking fund, or conversion provisions.

Holders of common shares are entitled to receive dividends, if and when declared by the Board of Directors, out of funds legally available for such purpose, subject to the dividend and liquidation rights of any preferred share that may then be outstanding.

The Company's outstanding capital was as follows as at the date of this MD&A:

Common shares	1,028,145
Share options	379,521
Restricted common shares	88,228

SUBSEQUENT EVENTS

On October 13, 2021, upon termination of its agreement with the former consulting CEO, the Company

cancelled 109,995 share options previously issued in February 2021 and issued 10,000 common shares, as agreed upon by the Company and the former consulting CEO.

On October 19, 2021, 285,000 share options were granted to directors and officers of the Company. The Board of Directors also approved an increase to the number of shares of common shares available for issuance pursuant to the Equity Plan from 199,942 to 425,000.

On October 21, 2021, 50,000 share options were granted to an independent consultant.

On October 13, 2021, GeneTether Therapeutics Inc. ("GeneTether Therapeutics") was incorporated in British Columbia, Canada. GeneTether Therapeutics was created to acquire and hold all of the shares of common stock of the Company pursuant to a share exchange transaction among the shareholders of the Company, the Company, and GeneTether Therapeutics (the "Reorganization"). Pursuant to the Reorganization, prior to the completion of an initial public offering (the "Offering"), the shareholders of the Company will exchange all of their issued and outstanding shares of the Company's common stock for common shares of GeneTether Therapeutics on a 37.32-for-1 basis. On November 8, 2021, GeneTether Therapeutics announced that it has filed a preliminary prospectus for a proposed Offering and has applied to list its common shares on the TSX Venture Exchange ("TSXV"). The listing is subject to the approval of the TSXV in accordance with its listing requirements.

SCHEDULE "F"
AUDIT COMMITTEE CHARTER

GENETETHER THERAPEUTICS INC.

PURPOSE

GeneTether Therapeutics Inc. (the "**Company**") shall appoint an audit committee (the "**Committee**") to assist the board of directors (the "**Board**") of the Company in fulfilling its responsibilities of oversight and supervision of the accounting and financial reporting practices and procedures on behalf of the Company and its direct and indirect subsidiaries, the adequacy of internal accounting controls and procedures, and the quality and integrity of the financial statements of the Company. In addition, the Committee is responsible for overseeing the audits of the financial statements of the Company, for directing the auditors' examination of specific areas, for the selection of the independent external auditors of the Company and for the approval of all non-audit services for which the auditors of the Company may be engaged.

I. STRUCTURE AND OPERATIONS

The Committee shall be comprised of at least three members, each of whom shall be a director of the Company, and at least a majority of which shall meet the independence requirements of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").

Each member of the Committee shall satisfy, or work towards satisfying, the "financial literacy" requirement of NI 52-110, by having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the financial statements of the Company.

The members of the Committee shall be annually appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority of the Board.

II. CHAIR OF THE COMMITTEE

Unless the Board elects a Chair of the Committee, the members of the Committee shall designate a Chair by the majority vote of the full Committee membership.

The Chair of the Committee shall:

(a) call and conduct the meetings of the Committee;

(b) be entitled to vote to resolve any ties;

(c) prepare and forward to members of the Committee the agenda for each meeting of the Committee, and include, in the agenda, any items proposed for inclusion in the agenda by any member of the Committee;

(d) review with the Chief Financial Officer ("**CFO**") and the auditors for the Company any matters referred to the Chair by the CFO or the auditors of the Company;

(e) appoint a secretary, who need not be a member of the Committee, to take minutes of the

meetings of the Committee; and

(f) act in a manner that the Committee meetings are conducted in an efficient, effective and focused manner.

III. MEETINGS

The Committee shall meet at least quarterly or more frequently as circumstances dictate. As part of its goal to foster open communication, the Committee shall periodically meet with management and the external auditors in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. The Committee may meet privately with outside counsel of its choosing and the CFO of the Company, as necessary. In addition, the Committee shall meet with the external auditors and management quarterly to review the Company's financial statements in a manner consistent with that outlined in this Charter.

The Committee may invite to its meetings any partners of the Company, management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, shall constitute a quorum. A majority of members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent with respect to matters that may be acted upon without a formal meeting.

The Committee shall maintain minutes or other records of meetings and activities of the Committee.

Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting provided however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

IV. RESPONSIBILITIES, DUTIES AND AUTHORITY

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in this Audit Committee Charter (the "**Charter**"). These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal and other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of this Committee.

The Committee in discharging its oversight role is empowered to investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to retain outside counsel, accounting or other advisors for this purpose, including authority to approve the fees payable to such advisors and other terms of retention. In addition, the Committee shall have the authority to communicate directly with both external and internal auditors of the Company.

The Committee shall be given full access to the Board, management, employees and others, directly and indirectly responsible for financial reporting, and external auditors, as necessary, to carry out these responsibilities. While acting within the scope of this stated purpose, the Committee shall have all the authority of the Board.

The Committee shall be responsible for assessing the range of financial and other risks to the business and affairs of the Company that the Board shall focus on, and make recommendations to the Board about how appropriate responsibilities for continuing to identify, monitor and manage these risks are to be delegated. The Committee shall review and discuss with management and the internal and external auditors all major financial risk exposures and the steps management has taken to monitor/control those exposures. In addition, the Committee shall encourage continuous improvement of, and foster adherence to, the Company's financial policies, procedures and practices at all levels in the organization; and provide an avenue of communication among the external auditors, management and the Board.

Absent actual knowledge to the contrary (which shall promptly reported to the Board), each member of the Committee shall be entitled to rely on: (i) the integrity of those persons or organizations within and outside the Company from which it receives information: (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations; and (iii) representations made by management and the external auditors, as to any information technology, internal audit and other non-audit services provided by the external auditors to the Company and its subsidiaries.

V. SPECIFIC RESPONSIBILITIES AND ACTIVITIES

A. Document Reports/Reviews

1. *Annual Financial Statements*. The Committee shall review with management and the external auditors, both together and separately, prior to public dissemination:

   (a) the annual audited financial statements;

   (b) the external auditors' review of the annual financial statements and their report;

   (c) any significant changes that were required in the external audit plan;

   (d) any significant issues raised with management during the course of the audit, including any restrictions on the scope of activities or access to information;

   (e) those matters related to the conduct of the audit that are required to be discussed under generally accepted auditing standards applicable to the Company; and

   (f) all material off-balance sheet transactions and the related accounting presentation and disclosure.

   Following completion of the matters contemplated above and in Section 15, the Committee shall make a recommendation to the Board with respect to the approval of the annual financial statements with such changes contemplated and further recommended, as the Committee considers necessary.

2. *Interim Financial Statements*. The Committee shall review with management and may review with the external auditors, both together and separately, prior to public dissemination, the interim unaudited

financial statements of the Company, including to the extent the Committee considers appropriate, a discussion with the external auditors of those matters required to be discussed under generally accepted auditing standards applicable to the Company.

3. *Management's Discussion and Analysis*. The Committee shall review with management and the external auditors, both together and separately prior to public dissemination, the annual Management's Discussion and Analysis of Financial Condition and Results of Operations ("**MD&A**") and the Committee shall review with management and may review with the external auditors, interim MD&A.

4. *Approval of Annual MD&A, Interim Financial Statements and Interim MD&A*. The Committee shall make a recommendation to the Board with respect to the approval of the annual MD&A with such changes contemplated and further recommended by the Committee as the Committee considers necessary. In addition, the Committee shall approve the interim financial statements and interim MD&A of the Company, if the Board has delegated such function to the Committee. If the Committee has not been delegated this function, the Committee shall make a recommendation to the Board with respect to the approval of the interim financial statements and interim MD&A with such changes contemplated and further recommended as the Committee considers necessary.

5. *Press Releases*. With respect to press releases by the Company:

   (a) The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

   (b) The Committee shall review with management, prior to public dissemination, the annual and interim earnings press releases (paying particular attention to the use of any "pro forma" or "adjusted non-IFRS" information) as well as any financial information and earnings guidance provided to analysts and rating agencies.

   (c) The Committee shall 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 public disclosure referred to in Section V.A.4 of this Charter, and periodically assess the adequacy of those procedures.

6. *Reports and Regulatory Returns*. The Committee shall review and discuss with management, and the external auditors to the extent the Committee deems appropriate, such reports and regulatory returns of the Company as may be specified by law.

7. *Other Financial Information*. The Committee shall review the financial information included in any prospectus, annual information form or information circular with management and, at the discretion of the Committee, the external auditors, both together and separately, prior to public dissemination, and shall make a recommendation to the Board with respect to the approval of such prospectus, annual information form or information circular with such changes contemplated and further recommended as the Committee considers necessary.

B. Financial Reporting Processes

8. *Establishment and Assessment of Procedures*. The Committee shall satisfy itself that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the financial statements of the Company and assess the adequacy of these procedures annually.

9. *Application of Accounting Principles*. The Committee shall assure itself that the external auditors are satisfied that the accounting estimates and judgements made by management, and their selection of accounting principles reflect an appropriate application of such accounting principles.

10. *Practices and Policies*. The Committee shall review with management and the external auditors, together and separately, the principal accounting practices and policies of the Company.

C. External Auditors

11. *Oversight and Responsibility*. In respect of the external auditors of the Company:

    (a) The Committee, in its capacity as a committee of the Board, shall be directly responsible for, or if required by Canadian law shall make recommendations to the Board with respect to, the appointment, compensation, retention and oversight of the work of the external auditors 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 discussion and resolution of disagreements between management and the external auditors regarding financial reporting.

    (b) The Committee is directly responsible for overseeing the work of the external auditors 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 discussion and resolution of disagreements between management and the external auditors regarding financial reporting.

12. *Reporting*. The external auditors shall report directly to the Committee and are ultimately accountable to the Committee.

13. *Annual Audit Plan*. The Committee shall review with the external auditors and management, together and separately, the overall scope of the annual audit plan and the resources the external auditors will devote to the audit. The Committee shall annually review and approve the fees to be paid to the external auditors with respect to the annual audit.

14. *Non-Audit Services*.

    (a) "Non-audit services" means all services performed by the external auditors other than audit services. The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor and permit all non-audit services, other than non-audit services where:

        (i) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the Company's external auditor during the fiscal year in which the services are provided;

        (ii) the Company or its subsidiary, as the case may be, did not recognize the services as non- audit services at the time of the engagement; and

(iii) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Committee.

(b) The Committee may delegate to one or more members of the Committee the authority to grant such pre-approvals for non-audited services. The decisions of such member(s) regarding approval of "non-audit" services shall be reported by such member(s) to the full Committee at its first scheduled meeting following such pre-approval.

(c) The Committee shall adopt specific policies and procedures for the engagement of the non-audit services if:

(i) the pre-approval policies and procedures are detailed as to the particular services;
(ii) the Committee is informed of each non-audit service; and
(iii) the procedures do not include delegation of the Committee's responsibilities to management.

15. *Independence Review*. The Committee shall review and assess the qualifications, performance and independence of the external auditors, including the requirements relating to such independence of the law governing the Company. At least annually, the Committee shall receive from the external auditors, a formal written statement delineating all relationships between the Company the external auditors, actively engage in a dialogue with the external auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor, and, if necessary, recommend that the Board takes appropriate action to satisfy themselves of the external auditors' independence and accountability to the Committee. In evaluating the performance of the external auditors, the Audit Committee shall evaluate the performance of the external auditors' lead partner and shall ensure the rotation of lead partners as required by law.

D. Internal Controls.

Management shall be required to provide the Committee, at least annually, a report on internal controls, including reasonable assurance that such controls are adequate to facilitate reliable and timely financial information. The Committee shall also review and follow-up on any areas of internal control weakness identified by the external auditors with the auditors and management.

E. Reports to Board

16. *Reports*. In addition to such specific reports contemplated elsewhere in this Charter, the Committee shall report regularly to the Board regarding such matters, including:

(a) with respect to any issues that arise with respect to the quality or integrity of the financial statements of the Company, compliance with legal or regulatory requirements by the Company, or the performance and independence of the external auditors of the Company;

(b) following meetings of the Committee; and

(c) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities.

17. *Recommendations*. In addition to such specific recommendations contemplated elsewhere in this Charter, the Committee shall provide such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.

F. Whistle Blowing

18. *Procedures*. The Committee shall 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.

19. *Notice to Employees*.

(a) To comply with the above, the Committee shall ensure each of the Company and its subsidiaries advises all employees, by way of a written code of business conduct and ethics (the "**Code**"), or if such Code has not yet been adopted by the respective board, by way of a written or electronic notice, that any employee who reasonably believes that questionable accounting, internal accounting controls, or auditing matters have been employed by the Company or their external auditors is strongly encouraged to report such concerns by way of communication directly to the Chair. Matters referred may be done so anonymously and in confidence.

(b) None of the Company or its subsidiaries shall take or allow any reprisal against any employee for, in good faith, reporting questionable accounting, internal accounting, or auditing matters. Any such reprisal shall itself be considered a very serious breach of this policy.

(c) All reported violations shall be investigated by the Committee following rules of procedure and process as shall be recommended by outside counsel.

G. General

20. *Access to Advisers and Funding*. The Committee shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties. The Company shall provide appropriate funding, as determined by the Committee, for payment of (a) compensation to any external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (b) compensation to any advisers employed by the Committee; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

21. *Hiring of Partners and Employees of External Auditors*. The Committee shall annually review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

22. *Forward Agenda*. The Committee may annually develop a calendar of activities or forward agenda to be undertaken by the Committee for each ensuing year and to submit the calendar/agenda in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

23. *Annual Performance Evaluation.* The Committee shall perform a review and evaluation, annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with this Charter. In addition, the Committee shall evaluate, annually, the adequacy of this Charter and recommend any proposed changes to the Board.

24. *Related Party Transactions.* The Committee shall annually review transactions involving directors and officers, including a review of travel expenses and entertainment expenses, related party transactions and any conflicts of interests.

General. The Committee shall perform such other duties and exercise such powers as may, from time to time, be assigned or vested in the Committee by the Board, and such other functions as may be required of an audit committee by law, regulations or applicable stock exchange rules.

CERTIFICATE OF THE CORPORATION

Dated: March 21, 2022

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of Alberta, British Columbia and Ontario.

"Roland Boivin" (signed)	*"Jean Jen" (signed)*
Roland Boivin Chief Executive Officer	Jean Jen Chief Financial Officer

ON BEHALF OF THE BOARD

"Daren Graham" (signed)	*"Gage Jull" (signed)*
Daren Graham Director	Gage Jull Director

CERTIFICATE OF THE PROMOTERS

Dated: March 21, 2022

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of Alberta, British Columbia and Ontario.

"William Garner" (signed)	*"R. Geoffrey Sargent" (signed)*
William Garner	R. Geoffrey Sargent

CERTIFICATE OF THE AGENT

Dated: March 21, 2022

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of Alberta, British Columbia and Ontario.

RESEARCH CAPITAL CORPORATION

By: *"David Keating" (signed)*

David Keating
Managing Director
Head of Equity Capital Markets
Co-Head – Capital Markets