

PHARMACIELO LTD.

(formerly AAJ Capital 1 Corp.)

**Annual General and Special Meeting
to be held on February 20, 2024**

**Notice of Annual General and Special Meeting
and
Information Circular**

January 16, 2024

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PHARMACIELO LTD.
82 Richmond Street East
Toronto, Ontario
M5C 1P1

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF
SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of PharmaCielo Ltd. (the “**Company**”) will be held at the offices of DSA Corporate Services Inc. 82 Richmond Street East Toronto, ON M5C at 11:00 a.m. (Toronto time) on February 20, 2024, for the following purposes:

1. to receive the consolidated financial statements of the Company together with the auditor’s report thereon for the fiscal year ended December 31, 2022;
2. to consider and, if deemed advisable, to pass an ordinary resolution to fix the number of members of the board of directors of the Company at four (4);
3. to consider and, if deemed advisable, to pass an ordinary resolution electing the directors of the Company for the ensuing year;
4. to appoint BDO Canada LLP, as the auditors of the Company for the ensuing year and to authorize the directors of the Company to fix their remuneration;
5. to consider and, if deemed advisable, to pass a special resolution amending the maximum number of Common Shares to be reserved for issuance under the Company’s fixed stock option plan (the “**Stock Option Plan**”), together with any other share compensation arrangement. Whereas the maximum number of Common Shares currently reserved for issuance under the Stock Option Plan, together with any other share compensation arrangement is fixed at 22,670,000, being 15% of the issued and outstanding Common Shares on July 28, 2022, the proposed amendment would fix such maximum number at 25,000,000, being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024, as more particularly described in the accompanying information circular (the “**Information Circular**”);
6. to consider and, if deemed advisable, to pass a special resolution amending the maximum number of Common Shares to be reserved for issuance under the Company’s fixed restricted share unit plan (the “**RSU Plan**”), together with any other share compensation arrangement. Whereas the maximum number of Common Shares currently reserved for issuance under the RSU Plan, together with any other share compensation arrangement is fixed at 22,670,000, being 15% of the issued and outstanding Common Shares on July 28, 2022, the proposed amendment would fix such maximum number at 25,000,000, being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024, as more particularly described in the accompanying Information Circular;
7. to consider and, if deemed advisable, to pass a special resolution amending the maximum number of Common Shares to be reserved for issuance under the Company’s fixed deferred share unit plan (the “**DSU Plan**”), together with any other share compensation arrangement. Whereas the maximum number of Common Shares currently reserved for issuance under the DSU Plan, together with any other share compensation arrangement is fixed at 22,670,000, being 15% of the issued and outstanding Common Shares on July 28, 2022, the proposed amendment would fix such maximum number at 25,000,000, being 14.78% of the 169,135,718, issued and outstanding Common Shares as of January 16, 2024, as more particularly described in the accompanying Information Circular;

8. to transact such other business as may properly be brought before the Meeting or any adjournment(s) or postponement(s) thereof.

An Information Circular accompanies this Notice. The Information Circular contains details of matters to be considered at the Meeting. No other matters are contemplated, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

Registered Shareholders who are unable to attend the Meeting in person and who wish to ensure that their Common Shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of Proxy and deliver it in accordance with the instructions set out in the form of Proxy and in the Information Circular.

Non-registered Shareholders who plan to attend the Meeting must follow the instructions set out in the form of Proxy or voting instruction form and in the Information Circular to ensure that their Common Shares will be voted at the Meeting. If you hold your Common Shares in a brokerage account, you are not a registered Shareholder.

Registered Shareholders may attend the Meeting in person or may be represented by proxy. If you are a Registered Shareholder and are unable to attend the Meeting in person, please exercise your right to vote by dating, signing, and returning the accompanying form of proxy to Computershare Investor Services, the transfer agent of the Company. To be valid, completed proxy forms must be dated, completed, signed and deposited with the Company's transfer agent, Computershare Investor Services, (i) by mail using the enclosed return envelope or one addressed to Computershare Investor Services, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, (ii) by hand delivery to Computershare Investor Services, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, (iii) by facsimile to 1-866-249- 7775, or (iv) by telephone at 1-866-732-8683. You may also vote through the internet and if you do vote through the internet, you may also appoint another person to be your proxyholder. Please go to www.investorvote.com and follow the instructions. Your proxy or voting instructions must be received in each case no later than 11:00 a.m. (Toronto time) on February 15, 2024, or two (2) business days preceding the date of any adjournment or postponement. If you are unable to attend the Meeting, we encourage you to complete the enclosed form of proxy as soon as possible. If a Shareholder received more than one form of proxy because such holder owns Common Shares registered in different names or addresses, each form of proxy should be completed and returned. The Chairman of the Meeting shall have the discretion to waive or extend the proxy deadline without notice.

Only holders of Common Shares of record at the close of business on January 16, 2024 (the "Record Date") will be entitled to vote at the Meeting, and, except as otherwise determined from time to time by directors of the Company, no shareholders becoming such after the Record Date will be entitled to receive notice of and vote at the Meeting or any adjournment thereof or to be treated as a shareholder of record for purposes of such other action.

Electronic copies of this Notice, the Information Circular, and the form of Proxy may be found on the Company's profile on SEDAR+ at www.sedarplus.ca

DATED at Toronto, Ontario, this 16th day of January 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Marc Lustig"

Marc Lustig
Chairman of the Board

PHARMACIELO LTD.
82 Richmond Street East
Toronto, Ontario M5C 1P1

**INFORMATION
CIRCULAR
SOLICITATION OF
PROXIES**

This information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by the management of PharmaCielo Ltd. (the “Company”) for use at the annual general and special meeting (the “Meeting”) of its Shareholders to be held on February 20, 2024, at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to the “Company”, “PharmaCielo”, “we” and “our” refer to PharmaCielo Ltd. “Common Shares” means the common shares in the capital of the Company. “Shareholders” means the holders of Common Shares. “Registered Shareholders” means Shareholders who hold Common Shares in their own name. “Beneficial Shareholders” means Shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

The Meeting will only be held at the offices of DSA Corporate Services Inc. 82 Richmond Street East Toronto, ON M5C at 11:00 a.m. (Toronto time) on February 20, 2024, and at any adjournments or postponements thereof for the purposes set forth in the Notice of Annual and Special Meeting of Shareholders (the “Notice of Meeting”) accompanying this Information Circular. Information contained herein is given as of January 16, 2024, unless otherwise specifically stated.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile or electronically by directors, officers and employees of the Company who will not be additionally compensated therefor. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares. The costs of soliciting proxies will be borne by the Company. We have arranged for intermediaries to forward the Notice of Meeting, this Information Circular, and the form of Proxy (collectively, the “Meeting Materials”) to Beneficial Shareholders and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment and Revocation of Proxyholders

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

A Shareholder who is given an instrument of Proxy may revoke it by an instrument in writing signed by the shareholder or by the Shareholder's attorney authorized in writing or, where the Shareholder is a corporation by a duly authorized officer or attorney of the Company, and delivered to the administrative offices of the Company, 82 Richmond Street East, Toronto, Ontario, Canada M5C 1P1, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the Instrument of Proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment thereof or in any other manner provided by law. A revocation of an Instrument of Proxy does not affect any matter on which a vote has been taken prior to the revocation.

Voting by Proxyholder

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

- each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- any amendment to or variation of any matter identified therein; and
- any other matter that properly comes before the Meeting.

Exercise of Discretion by Proxies

Common Shares represented by proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if a Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by the Proxy will be voted accordingly. **Where no choice is specified, the Proxy will confer discretionary authority upon the persons named in the Proxy and will be voted for the matters described below in this Information Circular.**

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so using one of the following methods:

- complete, date and sign the enclosed form of Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, by fax outside North America at 416-263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery to the Company's head office at the address listed on the cover page of this Information Circular; or
- via Computershare's internet website www.investorvote.com. Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In each of the above cases, Registered Shareholders must ensure the proxy is received no later than 11:00 a.m. (Toronto time) on February 15, 2024, or two (2) business days preceding the date of any adjournment or postponement. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of Proxies may be waived by the Chairman of the Meeting at the Chairman's discretion without notice. **Please note that in order to vote your Common Shares in person at the Meeting, you must attend**

the Meeting and register with the Scrutineer before the Meeting. If you have already submitted a Proxy but choose to change your method of voting and attend the Meeting to vote, then you should register with the Scrutineer before the Meeting and inform them that your previously submitted proxy is revoked and that you personally will vote your Common Shares at the Meeting.

Beneficial Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, that acts as nominee for many Canadian brokerage firms).

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

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

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

Beneficial Shareholders, who are OBOs, should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of Proxy supplied to you as a Beneficial Shareholder by your broker will be similar to the Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada and in the United States. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of the Proxy provided by the Company. The VIF will name the same persons as the Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder), different from the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person maybe you. To exercise this right, insert the name of your desired representative (which may be you) in the blank space provided in the VIF. Once you have completed and signed your VIF, return it to Broadridge by mail or facsimile, or deliver your voting instructions to Broadridge by phone or via the internet, in accordance with Broadridge's instructions. Broadridge tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge's instructions well in advance of the Meeting in order to: (a) have your Common Shares**

voted at the Meeting as per your instructions; or (b) have an alternate representative chosen by you duly appointed to attend and vote your Common Shares at the Meeting.

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada, and applicable Canadian securities laws. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of Canadian securities laws. Shareholders that are residents of the United States should be aware that disclosure requirements under Canadian securities laws differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders that are residents of the United States of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (“**BCBCA**”), as amended, its directors and its executive officers are resident outside the United States, and all of its assets are located outside the United States. Shareholders that are residents of the United States may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

CURRENCY PRESENTATION

Unless specified herein, all dollar amounts referenced in this Information Circular are in Canadian dollars and are referred to as “\$”. The Company’s consolidated annual financial statements for the year ended December 31, 2022, are presented in Canadian dollars.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

To the knowledge of the directors and executive officers of the Company, no director or executive officer of the Company, any proposed nominee for election as director of the Company, or any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the approval of the amendments to the Stock Option Plan, RSU Plan and DSU Plan (as such terms are defined herein) .

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Company has fixed January 16, 2024 as the record date (“**Record Date**”) for determination of persons entitled to receive notice of and to vote at the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting or complete, sign and deliver a Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company was incorporated on May 30, 2017, under the name of “AAJ Capital 1 Corp.” pursuant to the provisions of the BCBCA. The Common Shares were listed for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “AAJ.P” on January 30, 2018. On January 15, 2019, the Company completed a qualifying transaction (the “**Qualifying Transaction**”), as defined in the policies of the

TSXV pursuant to which it acquired all of the issued and outstanding common shares of PharmaCielo Holdings Ltd. (formerly PharmaCielo Ltd.) (“**PharmaCielo Holdings**”) and indirectly, PharmaCielo Colombia Holdings S.A.S. (“**PharmaCielo Colombia**”). The Company then changed its name to “PharmaCielo Ltd.” On January 18, 2019, following the completion of the Qualifying Transaction the Common Shares commenced trading on the TSXV under the symbol “**PCLO**”. The Company’s first financial year-end subsequent to the completion of the Qualifying Transaction was December 31, 2019.

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares. As at January 16, 2024, there were 169,135,718 Common Shares issued and outstanding, each without par value and each carrying the right to one vote. There are no preferred shares issued and outstanding. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, there is no person or corporation who beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the Record Date.

PARTICULARS OF MATTERS TO BE ACTED UPON

Receipt of Financial Statements

The annual consolidated financial statements of the Company together with the auditor’s report thereon for the fiscal year ended December 31, 2022 will be tabled at the Meeting.

Setting Number of Directors

The size of the Board is currently set at five (5). The Board proposes that the number of directors be set at four (4). At the Meeting, Shareholders will be asked to approve an ordinary resolution to set the number of directors to be elected to the Board at four (4).

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

“BE IT RESOLVED THAT, that the number of directors for election at this Meeting be set at four.”

In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution.

Election of Directors

At the Meeting, Shareholders will be asked to vote on ordinary resolutions to elect the proposed directors set forth in “*Election of Directors*”.

In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the proposed directors set forth in “Election of Directors”.

Appointment of Auditor

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

“BE IT RESOLVED THAT, BDO Canada LLP, Chartered Professional Accountants, be appointed as auditor of the Company until the close of the next annual general meeting and that the directors of the Company are hereby authorized to fix the remuneration of the auditor.”

In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution.

Approval of Amendment to Stock Option Plan Fixing Common Shares Reserved for Issuance

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

“BE IT RESOLVED THAT, as a special resolution, that the Stock Option Plan is hereby amended, fixing the number of Common Shares to be reserved for issuance thereunder, together with any other share compensation plan at 25,000,000, being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024.”

In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution. In order for the vote to be effective, the special resolution must be approved by the affirmative vote of not less than 66 and 2/3% of the votes cast at the Meeting for this resolution.

For greater certainty, the proposed amendment would fix the maximum number of Common Shares to be reserved for issuance under the Stock Option Plan, will be 18,000,000.

Approval of Amendment to RSU Plan Fixing Common Shares Reserved for Issuance

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

“BE IT RESOLVED THAT, as a special resolution, that the RSU Plan is hereby amended, fixing the number of Common Shares to be reserved for issuance thereunder, together with any other share compensation plan at 25,000,000, being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024.”

In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution. In order for the vote to be effective, the special resolution must be approved by the affirmative vote of not less than 66 and 2/3% of the votes cast at the Meeting for this resolution.

For greater certainty, the proposed amendment would fix the maximum number of Common Shares to be reserved for issuance under the RSU Plan, will be 3,500,000.

Approval of Amendments to DSU Plan Fixing Common Shares Reserved for Issuance

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

“BE IT RESOLVED THAT, as a special resolution, that the DSU Plan is hereby amended, fixing the number of Common Shares to be reserved for issuance thereunder, together with any other share compensation plan at 25,000,000, being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024.”

In the absence of instruction to the contrary, the persons designated by management in the Proxy intend to vote “For” the preceding resolution. In order for the vote to be effective, the special resolution must be approved by the affirmative vote of not less than 66 and 2/3% of the votes cast at the Meeting for this resolution.

For greater certainty, the proposed amendment would fix the maximum number of Common Shares to be reserved for issuance under the DSU Plan, will be 3,500,000.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca. Financial information is contained in the Company's audited annual consolidated financial statements and management's discussion and analysis for the year ended December 31, 2022, together with the auditor's report thereon.

Additional information relating to the Company and a copy of the financial statements may be obtained under the Company's profile at www.sedarplus.ca or upon request from the Company at 82 Richmond Street East Toronto, Ontario, Canada M5C 1P1. The Company may require payment of a reasonable charge from any person or company who is not a security holder of the Company, requesting a copy of any such document.

OTHER MATTERS

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

The contents of this information circular and its distribution to Shareholders have been approved by the Board of the Company.

DATED at Toronto, Ontario this 16th day of January 2024.

BY ORDER OF THE BOARD

"Marc Lustig"

Marc Lustig
Chairman of the Board

ELECTION OF DIRECTORS

The Board presently consists of five (5) directors. The Board proposes that the number of directors to be elected to the Board be fixed at four (4). At the Meeting, the Shareholders will be asked to approve an ordinary resolution to fix the number of Board positions at four (4).

The Board is currently comprised of Marc Lustig, William Petron, Douglas Bache, and Ian Atacan.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the BCBCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's four nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the last five years, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at January 16, 2024.

Name, Current Position with the Company and Province and Country of Residence	Period as a Director of the Company	Principal Occupation for the Previous Five Years ⁽¹⁾	Common Shares Beneficially Owned Directly or Indirectly ⁽¹⁾
Marc Lustig ⁽²⁾ <i>Chief Executive Officer and Chairman</i>	November 20, 2020	Mr. Lustig’s principal occupation is acting as a cannabis investment executive. He was the founder and CEO of CannaRoyalty Corp. (d.b.a. Origin House), which was acquired by Cresco Labs Inc., in January 2020. Mr. Lustig worked in the pharmaceutical industry at Merck & Co., then in capital markets as a Director of GMP Securities L.P., Head of Capital Markets at Dundee Capital, and Principal at KES 7 Capital. He has served as a director of the Company since November 2020, and as Chairman and Chief Executive Officer since July 2023.	12,627,762 ⁽⁷⁾
William B. Petron ⁽²⁾⁽⁴⁾⁽⁵⁾ <i>Lead Director</i>	June 10, 2021	Mr. Petron is an entrepreneur with a diverse background in manufacturing, logistics and medical cannabis. In 2014, Mr. Petron co-founded Alternative Medical Enterprises LLC (“AltMed”) headquartered in Sarasota, Florida. In December 2020, AltMed merged with Verano Holdings LLC. He has served as Chairman of the Company between June 2021 and July 2023 and as Chief Executive Officer between August 2021 and July 2023.	1,113,013 ⁽³⁾
Douglas Bache ⁽⁴⁾⁽⁵⁾ <i>Director</i>	January 15, 2019	Mr. Bache is currently President of Maxum Capital Markets Inc., a private merchant bank offering corporate finance and strategy advisory services primarily to mining companies. He is an independent non-executive Director of Marathon Gold Corp and formerly, a Director of Treasury Metals Inc. He has served as a director of the Company and its predecessor, PharmaCielo Holdings, since December 2018.	70,000 ⁽⁶⁾
Ian D. Atacan ⁽⁵⁾ <i>Chief Financial Officer, Corporate Secretary and Director</i>	July 25, 2022	Mr. Atacan is a finance leader with more than 25 years of public company experience in strategy, M&A, and financing. Most recently, Mr. Atacan was the CFO of Blueberries Medical Corp. a licensed cannabis producer in Colombia. Previously he was the CFO of Natura Naturals Inc., a Canadian cannabis company, until its acquisition by Tilray Inc.	602,944 ⁽⁸⁾

Notes:

- (1) The information as to principal occupation and Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees or obtained from information available on SEDI.

- (2) Member of the Compensation Committee. Marc Lustig is the *Chair of the Compensation Committee*.
- (3) Mr. Petron holds 2,027,900 stock options to purchase Common Shares, and 281,250 warrants to purchase Common Shares resulting from \$1,125,000 in debentures held.
- (4) Member of the Audit Committee. Mr. Bache is the Chair.
- (5) Member of the Corporate Governance and Nominating Committee. Mr. Petron is the *Chair*.
- (6) Mr. Bache holds 25,000 warrants to purchase Common Shares and 410,000 stock options to purchase Common Shares.
- (7) Mr. Lustig holds 3,110,000 stock options to purchase Common Shares, 666,667 restricted share units to purchase Common Shares, and 1,120,000 warrants to purchase Common Shares resulting from \$2,410,000 in debentures held.
- (8) Mr. Atacan holds 50,000 warrants to purchase Common Shares resulting from \$200,000 in debentures held, 798,300 stock options to purchase Common Shares, and 530,000 restricted share units to purchase Common Shares.

Biographies of Director Nominees

Marc Lustig, Chairman of the Board and Chief Executive Officer

Mr. Lustig is the founder of Origin House, which was recently acquired by Cresco Labs Inc., a Chicago based cannabis company, in January 2020 and his principal occupation is acting as a cannabis investment executive. He began his professional career in the pharmaceutical industry at Merck & Co. In 2000, he started his capital markets career in institutional equity research in the Life Sciences sector at Orion Securities. For the next 15 years, Mr. Lustig worked as a senior producer at GMP Securities L.P. and as Head of Capital Markets at Dundee Capital Markets before becoming Principal at KES 7 Capital. Mr. Lustig founded Cannabis Royalties & Holdings Corp. in early 2015.

William B. Petron, Lead Director

William Petron is a highly respected entrepreneur with a diverse background in manufacturing, logistics and medical cannabis. In 1999, Mr. Petron founded MSI Integrated Solutions headquartered in Porto Alegre, Brazil. This startup designed and developed electrical systems for the Latin American commercial off-road vehicle markets. Supplying such companies as CNH, John Deere, Fiat Powertrain and Mercedes, MSI quickly became a market leader. MSI was sold in 2006 with annual revenues that exceeded \$50 million. In 2006, Mr. Petron founded Magnus Logistics Solutions Inc. headquartered in Toronto, Ontario which managed the North American supply chains for CNH Latin America and Fiat Powertrain Latin America. Magnus supplied over 4,000-part numbers to six production facilities located throughout Brazil. In 2014, Mr. Petron co-founded AltMed. A license was acquired in Phoenix, Arizona and Mr. Petron ran the vertical operations of the company in the state. In December 2020, AME merged with Verano Holdings LLC and had a public offering on the Canadian Securities Exchange in February 2021.

Douglas Bache, Director

Mr. Douglas Bache has over 30 years of senior management experience in mining and financial services and is President of Maxum Capital Markets Inc., a private merchant bank that offers corporate finance and strategy advisory services primarily to mining companies. Mr. Bache is also a Director and Chairman of the Compensation Committee for Marathon Gold Corporation (TSX). Mr. Bache is a former director of Treasury Metals Inc. (TSX) and was Chairman of the Audit Committee as well as a member of the Corporate Governance and Nominating Committee. He was Chief Executive Officer and a Director of Valencia Ventures Inc. (TSXV) from April 2006 to June 2008 and was a Director of Aberdeen International Inc. (TSX) from January 2006 until September 2008. Mr. Bache was also Treasurer of North American Palladium Ltd. (TSX) from August 2003 to December 2005. He holds a B. Math and Business Administration Degree from the University of Waterloo.

Ian Atacan, Chief Financial Officer, Corporate Secretary and Director

Mr. Atacan is a finance leader with more than 25 years of public company experience in strategy, M&A, and financing. He has worked in Europe and Canada with renowned international companies such as Sprint, Alcatel, DHL Worldwide Express, and Procter & Gamble. Most recently, Mr. Atacan was the CFO of Blueberries Medical Corp. a licensed cannabis producer in Colombia. Previously he was the CFO of Natura Naturals Inc., a

Canadian cannabis company, until its acquisition by Tilray Inc. (NASDAQ: TLRY). Prior to that, Mr. Atacan served as the CFO of Global Atomic Corporation (TSX: GLO). Mr. Atacan is a Chartered Professional Accountant (CPA, CMA), MBA (London, UK) and Electrical & Electronics Engineer (B.Sc. Bilkent Univ.).

Penalties, Sanctions and Cease Trade Orders

No proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company including the Company, that:

- was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- 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
- has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company has been subject to:

- any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

CORPORATE GOVERNANCE

General

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose their corporate governance practices and National Policy 58-201 – *Corporate Governance Guidelines* provides guidance on corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

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

Board of Directors

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

The Board facilitates its independent supervision over management of the Company through meetings of the Board, and through frequent informal discussions among independent members of the Board. In addition, the Board has access to the Company’s external auditors, legal counsel, and to any of the Company’s officers. The primary roles and responsibilities of the Chair of the Board include: (a) chairing the Board and Shareholder meetings; (b) attending meetings of the committees of the Board if convenient; (c) planning and organizing Board activities including Board meeting agendas; and (d) serving as the spokesperson of the Board along with the Chief Executive Officer and Chief Financial Officer of the Company.

William B. Petron is the Lead Director of the Board. The primary roles and responsibilities of the Lead Director include: (a) providing leadership to the independent members of the Board and collaborating with the Chair of the Board to ensure the Board fulfills all its responsibilities effectively; (b) when the Chair of the Board is unavailable, presiding as Chair over all meetings and *in camera* sessions of the independent directors that are held in the absence of management and non-independent directors and determining the procedures taken at such meetings; (c) making recommendations with respect to the agenda for Board meetings in consultation with the Chair of the Board; (d) communicating to the Chair of the Board, non-independent directors sitting on the Board and/or management, any concerns or matters that the independent directors deem advisable and, if action is required, ensuring such matters are adequately addressed; (e) serving as an independent contact for directors on matters deemed to be inappropriate to be discussed initially with the Chair of the Board or in other situations where the Chair of the Board is not available; and (f) performing other functions as may be reasonably requested by the Board.

The following members of the Board are considered independent of the Company: Douglas Bache and William Petron.

Directorships

Certain members of the Board are currently serving on boards of directors of other reporting issuers as set out below:

Name of Director	Name of Reporting Issuer	Exchange
Douglas Bache	Marathon Gold Corporation	TSX
Marc Lustig	Aequus Pharmaceuticals Inc.	TSXV
	IM Cannabis Corp. (formerly, Navasota Resources Inc.)	CNSX
	Cresco Labs Inc.	CNSX

Orientation and Continuing Education

No formal program currently exists for the orientation of new directors and existing directors provide orientation and education to new members on an informal and *ad hoc* basis. The Company encourages directors to attend, enroll or participate in courses and/or seminars dealing with financial literacy, corporate governance, and related matters. Each director of the Company has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director. In addition, the Board’s continuing education is derived from correspondence with the Company’s legal counsel to remain up to date with developments in relevant corporate and securities law matters.

Ethical Business Conduct

The Board has adopted a Code of Business Ethics and Practices that prescribes expectations relating to honesty and ethical conduct and that business decisions made must be in the best interests of the Company. In addition, the Code outlines procedures for, and/or prohibitions against, as applicable, amongst other things, dealing with conflicts of interest as they arise, receipt of gifts by the Board, political contributions, payments to foreign and domestic government officials, bribery, doing business with companies in which a member of the Board has an interest, outside employment and serving as a director or officer of a competitor, legal compliance, confidentiality, protecting proprietary Company information, and records management.

Nomination of Directors

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

The Board's Corporate Governance and Nominating Committee identifies, interviews, and makes recommendations to the Board with respect to new Board members.

Compensation

The Board acting through its Compensation Committee determines compensation for the directors and compensation paid to officers of the Company. The procedures for this determination are described under "*Statement of Executive Compensation*" below.

Other Board Committees

The Board has the following committees: the Audit Committee, the Compensation Committee, and the Corporate Governance and Nominating Committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board on an ongoing basis.

STATEMENT OF EXECUTIVE AND DIRECTOR COMPENSATION

The following information is provided as required under *Statement of Executive Compensation – Venture Issuer*, Form 51-102F6V, as such form is defined in National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102") and relates to the Company's years ended December 31, 2020, 2021 and 2022.

References to "**compensation securities**" under *Statement of Executive Compensation – Venture Issuer*, Form 51-102F6V, includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, all share compensation, units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

All currency references in this section are expressed in Canadian dollars unless otherwise specified.

In this section "Named Executive Officer" ("**NEO**") means any individual who, during the Company's most

recently completed financial year ended December 31, 2022, was:

- (a) the chief executive officer (“CEO”) (or an individual who acted in a similar capacity);
- (b) the chief financial officer (“CFO”) (or an individual who acted in a similar capacity);
- (c) each of the three other most highly compensated executive officers of the Company or any of its subsidiaries or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed \$150,000); and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer nor a director of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of the Company’s fiscal year ended December 31, 2022.

Director and Named Executive Officer Compensation

The NEOs of the Company for the fiscal year ended December 31, 2022, were William Petron, Chief Executive Officer, Henning von Koss, former Chief Executive Officer, David Attard, former Chief Executive Officer, Ian Atacan, Chief Financial Officer, Scott Laitinen, former Chief Financial Officer, David Gordon, former Chief Corporate Officer and Andres Botero, Chief Operating Officer.

Effective April 28, 2020, Federico Cock-Correa resigned as a director of PharmaCielo. Following the Company’s annual general meeting held on August 6, 2020, David Attard, Douglas Bache, Claudia Jiménez, Simon Langelier, Matteo Pellegrini and Henning von Koss were elected to serve as directors of the Company until the next annual general meeting of the Company. Effective May 4, 2020, Henning von Koss was appointed President of the Company. Effective November 20, 2020, Marc Lustig was appointed as a director of the Company. Effective December 1, 2020, David Attard resigned as Chief Executive Officer and a director of the Company and Henning von Koss was appointed Chief Executive Officer.

Effective August 19, 2021, Henning von Koss resigned as Chief Executive Officer and a director of the Company and William Petron was appointed Chief Executive Officer. Effective September 1, 2021, William Nicholas was appointed as a director of the Company. Effective July 25, 2022, Ian Atacan was appointed as a director of the Company.

Following the Company’s previous annual general meeting held on September 1, 2022, William Petron, Marc Lustig, Douglas Bache, William Nicholas and Ian Atacan were elected to serve as directors of the Company until the next annual general meeting of the Company.

Effective July 10, 2023, William Petron resigned as Chief Executive Officer of the Company and Marc Lustig was appointed Chief Executive Officer.

Director and NEO compensation, excluding compensation securities

The following table sets forth all annual and long-term compensation for services paid to or earned by each of the NEOs and directors during the Company’s years ended December 31, 2020, December 31, 2021, and December 31, 2022:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
William B. Petron, Chairman and CEO ⁽¹⁾	2022	\$425,000	0	0	0	\$116,681	\$541,681
	2021	\$156,998	0	\$24,195	0	\$39,551	\$220,744
	2020	0	0	0	0	0	0
Marc Lustig, Lead Director ⁽²⁾	2022	0	0	\$57,500	0	0	\$57,500
	2021	0	0	\$45,417	0	0	\$45,417
	2020	\$70,000 ⁽³⁾	0	\$12,500 ⁽⁴⁾	0	0	\$82,500
Ian D. Atacan, Chief Financial Officer, Corporate Secretary and Director ⁽⁵⁾	2022	\$275,000	0	0	0	0	\$275,000
	2021	\$164,754	0	0	0	0	\$164,754
	2010	0	0	0	0	0	0
Andres Botero, Chief Operating Officer	2022	\$290,569	0	0	0	0	\$290,569
	2021	\$312,752	0	0	0	0	\$312,752
	2010	\$306,492	0	0	0	0	\$306,492
Henning von Koss, Former CEO and Director ⁽⁶⁾	2022	\$241,750	0	0	0	0	\$241,750
	2021	\$428,400	0	0	0	0	\$428,400
	2020	\$236,733	\$158,000	\$7,500	0	0	\$402,233
David Attard, Former Chief Executive Officer and Director ⁽⁷⁾	2022	\$180,000	0	0	0	\$233	\$180,233
	2021	\$618,206	0	0	0	0	\$618,206
	2020	\$360,000	0	0	0	0	\$360,000
Federico Cock-Correa, former CEO and former Director of PharmaCielo Colombia ⁽⁸⁾	2022	0	0	0	0	0	0
	2021	\$276,347	0	0	0	0	\$276,347
	2020	\$322,583	0	0	0	0	\$322,583
Scott Laitinen, Former Chief Financial Officer ⁽⁹⁾	2022	0	0	0	0	0	0
	2021	\$195,833	0	0	0	0	\$195,833
	2020	\$350,000	\$125,000	0	0	0	\$475,000
David Gordon, Former Chief Corporate Officer ⁽¹⁰⁾	2022	\$121,875	0	0	0	\$513	\$122,388
	2021	\$559,486	0	0	0	0	\$559,486
	2020	\$325,000	0	0	0	0	\$325,000
Douglas Bache, Director	2022	0	0	\$60,000	0	0	\$60,000
	2021	0	0	\$39,167	0	0	\$39,167
	2020	0	0	\$25,000	0	0	\$25,000

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
William Nicholas, Director ⁽¹¹⁾	2022	\$52,132	0	\$45,000	0	0	\$97,132
	2021	0	0	\$14,918	0	0	\$14,918
	2020	0	0	0	0	0	0
Simon Langelier, former Director ⁽¹²⁾	2022	0	0	0	0	0	0
	2021	0	0	\$46,827	0	0	\$46,827
	2020	0	0	\$27,500	0	0	\$27,500
Claudia Jiménez, former Director ⁽¹³⁾	2022	0	0	\$13,125	0	0	13,125
	2021	0	0	\$35,000	0	0	\$35,000
	2020	0	0	\$8,750	0	0	\$8,750
Matteo Pellegrini, former Director ⁽¹⁴⁾	2022	0	0	0	0	0	0
	2021	0	0	\$29,769	0	0	\$29,769
	2020	0	0	\$17,500	0	0	\$17,500
Delon Human, former Director ⁽¹⁵⁾	2022	0	0	0	0	0	0
	2021	\$226,625 ⁽¹⁶⁾	0	0	0	0	\$226,625
	2020	0	0	0	0	0	0

Notes:

- (1) William Petron is currently the Lead Director of the Company, serving on the board since June 10, 2021. Mr. Petron served as the Chief Executive Officer between August 20, 2021, and July 10, 2023.
- (2) Marc Lustig was appointed as a director of the Company on November 20, 2020, and served as Lead Director until July 10, 2023.
- (3) Marc Lustig was appointed as Chairman and Chief Executive Officer of the Company on July 10, 2023.
- (4) In 2020, the Company paid \$70,000 consulting fees to L5 Capital Inc., a company controlled by Mr. Lustig.
- (5) On June 7, 2021, Ian Atacan was appointed Chief Financial Officer of the Company. Effective July 26, 2022, he was appointed as Corporate Secretary and a director of the Company.
- (6) On May 4, 2020, Henning von Koss was appointed President of the Company. On December 1, 2020, Mr. von Koss was appointed Chief Executive Officer of the Company. He resigned as a director and as Chief Executive Officer of the Company on August 19, 2021.
- (7) David Attard ceased being a director and resigned as Chief Executive Officer of the Company on October 2, 2020.
- (8) Federico Cock-Correa ceased being a director of the Company on May 23, 2019, resigned as CEO of PharmaCielo Colombia on August 29, 2019, and resigned as a director of PharmaCielo Colombia on April 28, 2020.
- (9) Scott Laitinen resigned as Chief Financial Officer of the company on June 1, 2021.
- (10) David Gordon ceased being Chief Corporate Officer of the Company on December 31, 2020. 2021 and 2022 payments are in satisfying his severance payments.
- (11) William Nicholas was appointed as a director of the Company on September 1, 2021.
- (12) Simon Langelier ceased being a director of the company on June 10, 2021.
- (13) Claudia Jiménez was a director of the company from June 1, 2020, to March 31, 2022.
- (14) Matteo Pellegrini ceased being a director of the Company on November 26, 2021.
- (15) Delon Human ceased being a director of the Company on May 23, 2019.
- (16) On December 21, 2021, the Company settled claims by Mr. Human.

Compensation Securities Granted to NEO's and Directors

During the Company's year ended December 31, 2022, the following RSUs and Stock Options were granted to the NEOs and directors under the RSU Plan and Stock Option Plan approved on June 10, 2021, and revised on September 1, 2022, by the Shareholders. The following table sets out the outstanding RSU and Stock Options granted or issued to NEOs and directors of the Company during the year ended December 31, 2022.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
William B. Petron, Chief Executive Officer and Director ⁽²⁾	RSUs	1,863,910	August 29, 2022	n/a	\$0.42	\$0.175	n/a
	Stock Options	907,900	August 29, 2022	\$0.46	\$0.42	\$0.175	August 29, 2027
Ian D. Atacan, Chief Financial Officer, Corporate Secretary & Director ⁽³⁾	RSUs	530,000	August 29, 2022	n/a	\$0.42	\$0.175	n/a
	Stock Options	448,300	August 29, 2022	\$0.46	\$0.42	\$0.175	August 29, 2027
Andres Botero, Chief Operating Officer ⁽⁴⁾	RSUs	278,290	August 29, 2022	n/a	\$0.42	\$0.175	n/a
Marc Lustig, Lead Director ⁽⁵⁾	Stock Options	90,000	August 29, 2022	\$0.46	\$0.42	\$0.175	August 29, 2027
Douglas Bache, Director ⁽⁶⁾	Stock Options	90,000	August 29, 2022	\$0.46	\$0.42	\$0.175	August 29, 2027
William Nicholas, Director ⁽⁷⁾	Stock Options	90,000	August 29, 2022	\$0.46	\$0.42	\$0.175	August 29, 2027

Notes:

- (1) Each outstanding Stock Option and RSU is exercisable to acquire or convertible into one Common Share.
- (2) As at December 31, 2022, Mr. Petron held 1,427,900 Stock Options, 2,197,243 RSUs and 281,250 warrants. As of the date of this circular, Mr. Petron beneficially owned 1,113,013 Common Shares, 2,027,900 stock options, and 281,250 warrants resulting from \$1,125,000 in debentures held.
- (3) As at December 31, 2022, Mr. Atacan held 448,300 Stock Options, 278,290 RSUs, and 50,000 warrants. As of the date of this circular, Mr. Atacan beneficially owned 602,944 Common Shares, 50,000 warrants resulting from \$200,000 in debentures held, 798,300 stock options, and 530,000 RSUs.
- (4) As at December 31, 2022, and as of the date of this circular Mr. Botero beneficially owned 670,355 Common Shares.
- (5) As at December 31, 2022, Mr. Lustig held 3,110,000 Stock Options, and 242,500 warrants. As of the date of this circular, Mr. Lustig beneficially owned 5,807,742 Common Shares, 3,110,000 stock options to purchase Common Shares, and 1,177,500 warrants resulting from \$2,410,000 in debentures held.
- (6) As at December 31, 2022, Mr. Bache held 210,000 Stock Options and 25,000 warrants to purchase Common Shares. As of the date of this circular, Mr. Bache beneficially owned 70,000 Common Shares, 25,000 warrants to purchase Common Shares and 410,000 stock options.
- (7) As at December 31, 2022, Mr. Nicholas held 590,000 Stock Options. As of the date of this circular, Mr. Nicholas did not own any Stock Options, RSUs or DSUs.

Exercise of Compensation Securities by NEO's and Directors

Except as disclosed herein, during the financial year ended December 31, 2022, none of the NEOs or directors of the Company exercised any Stock Options or RSUs.

Compensation Securities							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price of security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
William Petron, Chief Executive Officer ^(1,2)	RSUs	166,667	n/a	June 10, 2022	\$0.48	\$0.48	\$80,000
	RSUs	750,000	n/a	March 18, 2022	\$0.70	\$0.70	\$525,000
David Attard, Former Chief Executive Officer ⁽³⁾	DSUs	1,250,000	n/a	December 1, 2022	\$0.325	\$0.325	\$406,250
Ian Atacan, Chief Financial Officer ⁽⁴⁾	RSUs	375,000	n/a	March 18, 2022	\$0.70	\$0.70	\$262,500
William Nicholas, Director ⁽⁵⁾	RSUs	250,000	n/a	September 14, 2022	\$0.415	\$0.415	\$103,750

Note:

- (1) Upon his appointment as the Chairman, on May 13, 2021, Mr. Petron was granted 500,000 RSUs subject to a three (3) year vesting period.
- (2) Upon his appointment as the CEO, Mr. Petron was granted 750,000 RSUs on September 8, 2021.
- (3) Mr. Attard was granted 1,250,000 RSUs by the Company on November 30, 2020, as part of the At-Will Consulting and Transitional Employment Arrangements. These agreements entitled Mr. Attard 90 days to settle the DSUs from November 30, 2022, the last day of the Settlement Period.
- (4) Mr. Atacan was granted 375,000 RSUs on September 8, 2021.
- (5) Mr. Nicholas was granted 250,000 RSUs on September 14, 2021, vesting on September 14, 2022.

Stock option plans and other incentive plans

See “*Statement of Executive Compensation - Stock options and other compensation securities*”.

Stock options and other compensation securities

On September 1, 2022, the Company’s Shareholders re-approved:

- the Company’s 15% fixed stock option plan (the “**Stock Option Plan**”);
- the Company’s 15% fixed restricted stock unit plan (the “**RSU Plan**”); and
- the Company’s 15% fixed deferred stock unit plan (the “**DSU Plan**”).

Between the Stock Option Plan, the RSU Plan, and the DSU Plan, respectively, the maximum number of (i) stock options (“**Stock Options**”) exercisable for Common Shares; (ii) restricted shares units (“**RSUs**”) exercisable for Common Shares; and (iii) deferred share units (“**DSUs**”) exercisable for Common Shares may

not cumulatively exceed 22,670,000 Common Shares, being 15% of the issued and outstanding Common Shares on July 28, 2022.

The Board has reviewed the Stock Option Plan, RSU Plan and DSU Plan in the context of comparable companies and applicable TSXV policies. The Board has considered the need for the Company to be able to continue to attract and retain key personnel in a quickly evolving industry. The Board has decided to maintain the Stock Option Plan, RSU Plan and DSU Plan as “fixed plans”, but believes that it is in the best interest of the Company to amend the percentage of aggregate Common Shares reserved for issuance across the Stock Option Plan, RSU Plan and DSU Plan from 15% of the issued and outstanding Common Shares as at July 28, 2022 to 14.78% of the issued and outstanding Common Shares as at January 16, 2024, as more particularly described below.

Stock Option Plan

The Stock Option Plan is a fixed plan pursuant to which the maximum number of Common Shares which may be subject to Stock Options grants at any time shall not exceed 15% of the total number of Common Shares outstanding as of July 28, 2022, on a non-diluted basis in combination with the RSU Plan and the DSU Plan. The following summary of the Stock Option Plan is qualified in its entirety by the full text of the Stock Option Plan.

The purpose of the Stock Option Plan is to: (i) provide “Employees”, “Directors” or “Consultants” (as defined in the TSXV Corporate Finance Policies) of the Company or its subsidiaries (the “**Eligible Persons**”) with additional incentive; (ii) encourage Common Share ownership by such Eligible Persons; (iii) encourage Eligible Persons to remain with the Company or its subsidiaries; and (iv) attract new directors, employees and officers.

The terms and conditions attached to the Stock Option grants are determined by the Board, in its sole discretion. The Board has the power and discretionary authority to determine the terms and conditions of the Stock Option grants, including the individuals who will receive the Stock Option grants, the number of Stock Options subject to each grant, the exercise price of the Stock Options, the limitations or restrictions on vesting of Stock Options, acceleration of vesting or the waiver of forfeiture or other restrictions on Stock Options, the form of consideration payable on settlement of Stock Options and the timing of the Stock Options grants. The Board also has the power to establish procedures for payment of withholding tax obligations with cash.

The Stock Option Plan is subject to the following restrictions:

- the number of Common Shares that may be reserved for issuance under the Stock Option Plan, together with the RSU Plan and the DSU Plan will not exceed 15% of the Common Shares as at July 28, 2022 (the “**Reserved Shares**”);
- all Stock Options granted must be non-assignable and non-transferable;
- the expiry date of any Stock Option granted shall not exceed a period of 10 years;
- the number of Stock Options that may be reserved for issuance to an Eligible Person in any 12-month period shall not exceed 5% of the Reserved Shares, unless any disinterested shareholder approval required by the TSXV has been obtained;
- the aggregate number of Stock Options granted to all Persons (as defined in the TSXV Corporate Finance Policies) conducting “Investor Relations Activities” in any 12-month period must not exceed, in the aggregate, 2% of the Reserved Shares;
- the Company must not grant aggregate Stock Options to any one Consultant in any 12-month period that exceeds 2% of the Reserved Shares; and

- all Stock Options must terminate within a reasonable period upon an Eligible Person’s service to the Company or a subsidiary of the Company ceasing.

The Board proposes, in compliance with TSXV rules and subject to TSXV approval, to amend the maximum number of Common Shares to be reserved for issuance under the Stock Option Plan, together with any other share compensation arrangement. Whereas the maximum number of Common Shares currently reserved for issuance under the Stock Option Plan, together with any other share compensation arrangement is fixed at 22,670,000, being 15% of the issued and outstanding Common Shares on July 28, 2022, the proposed amendment would fix such maximum number at 25,000,000 being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024. The amendment of the Stock Option Plan is subject to TSXV approval.

For greater certainty, the proposed amendment would fix the maximum number of Common Shares to be reserved for issuance under the Stock Option Plan, will be 18,000,000.

RSU Plan

The RSU Plan is a fixed plan pursuant to which the maximum number of Common Shares that may be subject to RSU grants at any time shall not exceed 15% of the total number of Common Shares outstanding as of July 28, 2022, on a non-diluted basis in combination with the Stock Option Plan and the DSU Plan. The following summary of the RSU Plan is qualified in its entirety by the full text of the RSU Plan.

The Purpose of the RSU Plan is to strengthen the alignment of interests between directors, officers, and employees of the Company (the “**RSU Participants**”) and the Shareholders, and for the purposes of advancing the interests of the Company through the motivation, attraction and retention of the RSU Participants.

The terms and conditions attached to the RSU grants are determined by the Board, in its sole discretion. The Board has the power and discretionary authority to determine the terms and conditions of the RSU grants, including the individuals who will receive the RSU grants, the number of RSUs subject to each RSU grant, the limitations, or restrictions on vesting of RSU grants, acceleration of vesting or the waiver of forfeiture or other restrictions on RSU grants, the form of consideration payable on settlement of RSUs and the timing of the RSU grants. The Board also has the power to establish procedures for payment of withholding tax obligations with cash.

Each grant will constitute an agreement to deliver RSUs or cash consideration to the RSU Participant in the future in consideration of the performance of services, subject to the fulfillment during the deferral period of such conditions as the Board may specify including, but not limited to, the RSU Participant’s achievement of specified management objectives. During the applicable deferral period for a given RSU grant, the RSU Participant will not have ownership or voting rights with respect to the RSUs, or the underlying Common Shares associated with the RSUs.

The RSU Plan is subject to the following restrictions:

- the number of Common Shares that may be reserved for issuance under the RSU Plan, together with the Stock Option Plan and the DSU Plan will not exceed 20% of the Reserved Shares;
- all RSUs granted must be non-assignable and non-transferable;
- the expiry date of any RSU granted, if applicable, shall not exceed a period of 10 years;
- the number of RSUs that may be reserved for issuance to an RSU Participant in any 12-month period

shall not exceed 5% of the Reserved Shares, unless any disinterested shareholder approval required by the TSXV has been obtained;

- no grants of RSUs may be made to Persons (as defined in the TSXV Corporate Finance Policies) conducting “Investor Relations Activities”;
- the Company must not grant aggregate RSUs to any one Consultant in any 12-month period that exceeds 2% of the Reserved Shares; and
- all RSUs terminate automatically upon an RSU Participant’s service to the Company or a subsidiary of the Company ceasing, subject to certain automatic vesting rights and settlement rights for a period of 90 days from the cessation of services by the RSU Participant as set forth in the RSU Plan.

The Board proposes, in compliance with TSXV rules and subject to TSXV approval, to amend the maximum number of Common Shares to be reserved for issuance under the RSU Plan, together with any other share compensation arrangement. Whereas the maximum number of Common Shares currently reserved for issuance under the RSU Plan, together with any other share compensation arrangement is fixed at 22,670,000, being 15% of the issued and outstanding Common Shares on July 28, 2022, the proposed amendment would fix such maximum number at 25,000,000 being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024. The amendment of the RSU Plan is subject to TSXV approval.

For greater certainty, the proposed amendment would fix the maximum number of Common Shares to be reserved for issuance under the RSU Plan, will be 3,500,000.

DSU Plan

The DSU Plan is a fixed plan pursuant to which the maximum number of Common Shares that may be subject to DSU grants at any time shall not exceed 20% of the total number of Common Shares outstanding as of July 28, 2022, on a non-diluted basis in combination with the Stock Option Plan and the RSU Plan. The following summary of the DSU Plan is qualified in its entirety by the full text of the DSU Plan.

The purpose of the DSU Plan is to strengthen the alignment of non-executive officers of the Company (the “**DSU Participants**”) and the Shareholders, and for the purposes of advancing the interests of the Company through the motivation, attraction, and retention of the DSU Participants.

The terms and conditions attached to the DSU grants are determined by the Board, in its sole discretion. The Board has the power and discretionary authority to determine the terms and conditions of the DSU grants, including the individuals who will receive the DSU grants, the number of DSUs subject to each DSU grant, the limitations, or restrictions on vesting of DSU grants, acceleration of vesting or the waiver of forfeiture or other restrictions on DSU grants, the form of consideration payable on settlement of DSUs and the timing of the DSU grants. The Board also has the power to establish procedures for payment of withholding tax obligations with cash.

Each DSU grant will constitute an agreement to deliver DSUs or cash consideration to the DSU Participant in the future in consideration of the performance of services, subject to the fulfillment during the deferral period of such conditions as the Board may specify including, but not limited to, the DSU Participant’s achievement of specified management objectives. During the applicable deferral period for a given DSU award, the DSU Participant will not have ownership or voting rights with respect to the DSUs, or the underlying Common Shares associated with the DSUs.

The DSU Plan is subject to the following restrictions:

- the number of Common Shares that may be reserved for issuance under the DSU Plan, together with the Stock Option Plan and the RSU Plan will not exceed 20% of the Reserved Shares;
- all DSUs granted must be non-assignable and non-transferable;
- the expiry date of any DSU granted, if applicable, shall not exceed a period of 10 years;
- the number of DSUs that may be reserved for issuance to a DSU Participant in any 12-month period shall not exceed 5% of the Reserved Shares, unless any disinterested shareholder approval required by the TSXV has been obtained;
- no grants of DSUs may be made to Persons (as defined in the TSXV Corporate Finance Policies) conducting “Investor Relations Activities”;
- the Company must not grant aggregate DSUs to any one Consultant in any 12-month period that exceeds 2% of the Reserved Shares; and
- all DSUs terminate automatically upon a DSU Participant’s service to the Company or a subsidiary of the Company ceasing, subject to certain DSU redemption rights for a period of 90 days from the cessation of services by the DSU Participant as set forth in the DSU Plan.

The Board proposes, in compliance with TSXV rules and subject to TSXV approval, to amend the maximum number of Common Shares to be reserved for issuance under the DSU Plan, together with any other share compensation arrangement. Whereas the maximum number of Common Shares currently reserved for issuance under the RSU Plan, together with any other share compensation arrangement is fixed at 22,670,000, being 15% of the issued and outstanding Common Shares on July 28, 2022, the proposed amendment would fix such maximum number at 25,000,000 being 14.78% of the 169,135,718 issued and outstanding Common Shares as of January 16, 2024. The amendment of the RSU Plan is subject to TSXV approval.

For greater certainty, the proposed amendment would fix the maximum number of Common Shares to be reserved for issuance under the DSU Plan, will be 3,500,000.

Oversight and description of director and named executive officer compensation

Compensation Philosophy and Objectives

The objectives of the Company’s executive compensation policy are: (a) to attract and retain individuals of high caliber to serve as officers of the Company; (b) to motivate their performance in order to achieve the Company’s strategic objectives; and (c) to align the interests of executive officers with the long-term interests of Shareholders.

Overview

The Board, on the recommendation of the Compensation Committee of the Company is responsible for setting the overall compensation strategy of the Company and evaluating and making determinations for the compensation of its directors and executive officers. The Board, on the recommendation of the Compensation Committee annually reviews and determines base salary.

Each NEO receives a base salary. The salaries of the NEOs are believed to be similar to salaries provided by comparable companies. No personal benefits are granted to the executive officers of the Company. The labor laws of Colombia mandate that each employee, including the executive officers, receive an annual cash bonus equal to one month of salary.

William Petron, CEO

Pursuant to the terms of his employment agreement, William Petron receives a cash salary and was granted 500,000 Stock Options and 500,000 RSUs at the time of entering into his employment agreement.

Ian D. Atacan, CFO

Pursuant to the terms of his employment agreement, Ian Atacan receives a cash salary and was granted 375,000 RSUs at the time of entering into his employment agreement.

Andres Botero, COO

Pursuant to the terms of his employment agreement, Andres Botero receives a cash salary and was granted 600,000 RSUs at the time of entering into his employment agreement.

Henning von Koss, Former CEO

Mr. von Koss' employment agreement was entered into effective as at May 4, 2020, was amended on April 29, 2021, and was terminated August 19, 2021. In connection with Mr. von Koss ceasing to be the Company's Chief Executive Officer and his resignation as a director of the Company, Mr. von Koss in accordance his Employment Agreement, received from the Company 12 months of working notice from August 19, 2021 (the "Garden Leave Period"). During the Garden Leave Period, Mr. von Koss' employment continued with the Company on substantially the same terms and conditions, including payment of his annual base salary (\$450,000 per annum). On or immediately after August 19, 2022, the Company would provide Mr. von Koss with a lump sum payment equal to 12 months of base salary and 24 months of bonus (based on the bonus that would have been earned if the established objectives had been achieved and a bonus is awarded by the Board) (CAD\$1,050,000 in the aggregate); provided, however, that Mr. von Koss' could choose to exercise any of the options he had and settle the amounts owing to the Company with all or part of the lump-sum payment he receives. Alternatively, if mutually agreed, the Company may issue to Mr. von Koss' the number common shares of the Company ("Common Shares") or restricted share units ("RSUs") that are to be settled in Common Shares, in each instance, equal to all or part of the dollar amount of the lump sum cash payable, divided by the Market Price (as defined in the policies of the TSX Venture Exchange (the "TSXV")) of the Common Shares on the date of payment or any portion thereof, such date to be determined by the board of directors of the Company and subject to Mr. von Koss' remaining an eligible recipient of RSUs under the Company's RSU plan, if applicable, and the approval, if applicable, of the TSXV. This payment is inclusive of all entitlements remaining under Section 3.2 of Mr. von Koss' Employment Agreement and the Employment Standards Act, 2000, and subject to all applicable statutory deductions. All of Mr. von Koss' outstanding options, vested immediately on August 19, 2021, and were exercisable in full by Mr. von Koss in accordance with their terms.

David Attard, Former CEO

Mr. Attard's employment agreement was entered into effective as at July 1, 2018, and was terminated on December 1, 2020. In connection with Mr. Attard ceasing to be the Company's Chief Executive Officer and his resignation as a director of the Company, Mr. Attard entered into a Transitional Employment Arrangement (the "TEA") effective December 1, 2020. Pursuant to the terms of the TEA, the Company paid Mr. Attard: (i) an amount equal to the base salary, contemplated in Mr. Attard's employment agreement, from December 1, 2020, until November 30, 2022 (the "Settlement Period"); (ii) a cash bonus of \$120,000 on or before March 31, 2021; and (iii) an aggregate bonus of \$240,000 during the Settlement Period, payable in monthly \$10,000 installments for the duration of the Settlement Period. Pursuant to the terms of the TEA, Mr. Attard surrendered to the Company for cancellation 2,250,000 Stock Options. Pursuant to the terms of the TEA, the Company agreed to issue to Mr. Attard, effective as of December 1, 2020, upon him entering into an at-will consulting agreement in a form satisfactory to the Company (the "Attard At-Will Consulting Agreement"), 1,250,000 deferred share units were issued under a new deferred share unit plan to be adopted by the Board. Mr. Attard is entitled to settle each such deferred share unit at any time (the "DSU Settlement Time") during the period commencing on the business day immediately following the termination date of the Attard At-Will Consulting Agreement and ending on the

90th day following the termination date of the Attard At-Will Consulting Agreement. At the DSU Settlement Time, the Company issued to Mr. Attard, the number of Common Shares equal to the number of deferred share units settled at the DSU Settlement Time, net of any applicable withholding tax.

Scott Laitinen, Former CFO

Mr. Laitinen's employment agreement was entered into effective July 1, 2018, and ended June 1, 2021. In connection with Mr. Laitinen's resignation as the Company's Chief Finance Officer, Mr. Laitinen entered into an At-Will Consulting Agreement effective June 1, 2021, expiring on December 31, 2022, providing financial management services to the Company, including assisting with finance plans and processes, providing services related to the transition and support of the Chief Financial Officer. Under the terms of the At-Will Consulting Agreement, the Company paid Mr. Laitinen a monthly retainer of \$10,000 for the first six (6) months of the Term. Mr. Laitinen surrendered to the Company for cancellation 500,000 stock options, each such stock option being exercisable to acquire one common share of the Company (a "Common Share") at an exercise price of \$3.35 per Common Share and having an expiry date of July 1, 2028. The Company issued Mr. Laitinen on the date on which the At-Will Consulting Agreement became effective, 275,000 deferred share units (each a "DSU"). Mr. Laitinen was entitled to settle each DSU at any time (the "DSU Settlement Time") during the period commencing on the business day immediately following the termination or expiry date of the At-Will Consulting Agreement (the "Maturity Date") and ending on the 90th day following the termination or expiry date of the At-Will Consulting Agreement. At the DSU Settlement Time the Company issued Mr. Laitinen, the number of Common Shares equal to the number of DSUs settled at the DSU Settlement Time, net of any applicable withholding tax.

David Gordon, Former CCO

Mr. Gordon's employment agreement was entered into effective July 1, 2018, and was terminated effective December 31, 2021. In connection with the termination of Mr. Gordon's employment agreement, the Company issued a termination letter to Mr. Gordon on October 2, 2020, as amended on November 30, 2020 (the "Termination Letter"). Pursuant to the terms of the Termination Letter, Mr. Gordon was provided 15 months of working notice from October 2, 2020 (the "Leave Period"). During the Leave Period, Mr. Gordon's employment continued with the Company on substantially the same terms and conditions, including payment of his annual base salary (\$325,000 per annum), provided, however that: (a) Mr. Gordon was not required to report to work or perform any of the duties or responsibilities of his position following October 2, 2020, except on an "as needed" basis; and (b) Mr. Gordon was permitted to commence alternative employment or self-employment on or after April 2, 2021 without impacting any of his entitlements under the Termination Letter. Mr. Gordon's bonus during the Leave Period was paid as if he was actively employed during such period (\$216,000 per annum). In addition to his annual base salary, Mr. Gordon's bonus was paid in 24 equal instalments of \$9,000 commencing January 15, 2021, until December 31, 2021. Following December 31, 2021 (the "Termination Date"), Mr. Gordon received payment on account of his accrued base salary and vacation pay to the end of the Leave Period. Following the 12-month Leave Period, the Company were to provide Mr. Gordon with the following enhanced entitlements, which were inclusive of the entitlements remaining under his employment agreement: (a) on or immediately after January 1, 2022, the Company will provide Mr. Gordon with a lump sum payment equal to 12 months of pay based on his base salary and bonus (based on the bonus that would have been earned if the established objectives had been achieved and a bonus is awarded by the Board) (\$541,000 in the aggregate). The Company issued to Mr. Gordon 213,861 RSUs to be settled in Common Shares, equal to the dollar amount of the bonus payable pursuant to the Termination Letter (\$216,000), divided by the Market Price of \$1.01 (as defined in the policies of the TSXV) on January 17, 2022. Mr. Gordon's remaining Stock Options vested and are exercisable in accordance with amended terms as set out in the Termination Letter, subject to any necessary approvals of the board of directors of the Company, the shareholders of the Company and the TSXV, and conditional upon Mr. Gordon entering into an at-will consulting agreement.

The Company offers group benefit plans, including life insurance, health care benefits, dental, disability, and accidental death and dismemberment coverage.

While the Company reimburses its executive officers for expenses incurred in the course of performing their duties as executive officers of the Company, the Company has not provided any compensation that would be considered a perquisite or personal benefit to its executive officers.

The Company has the Stock Option Plan, RSU Plan, and DSU Plan and makes grants under these respective plans to recruit and retain key personnel including management and members of its Board.

Employment, consulting and management agreements

Except as disclosed in this Information Circular, the Company does not have any employment, consulting or management agreements or arrangements under which compensation was provided during the most recently completed financial year with any of the Company's directors or NEOs.

The terms of the employment agreements were determined through negotiation between each of the respective NEOs and the Board, with advice from legal counsel, based on industry standards at the time the employment agreements were entered into.

The employment agreements in place for each of the Named Executive Officers are of an indefinite term and contain provisions regarding base salary, paid vacation time, and eligibility for benefits and security-based compensation. The employment agreements also contain confidentiality provisions of indefinite application and certain change-of-control provisions, as discussed below.

Change of Control

The Company recognizes the valuable services that the Named Executive Officers provide to the Company and the importance of the continued focus of the Named Executive Officers in the event of a possible Change of Control (as defined in this Circular). Because a Change of Control could give rise to the possibility that the employment of a Named Executive Officer would be terminated without cause or adversely changed, the Board considers it in the best interests of the Company to alleviate any distraction by ensuring that, in the event of a Change of Control, each Named Executive Officer would have certain guaranteed rights.

Accordingly, the Company has provided for the following:

A Change of Control payment is triggered if the employment of the Executive is terminated within the 12-month period following the effective date of a Change of Control by (A) death; (B) the resignation of the Executive for "Good Reason" (as defined in this Circular); or (C) the Company other than for just cause.

For the purposes of the foregoing, "Good Reason" means the occurrence of any one of the following events without the express agreement in writing of the relevant Executive:

- (a) a reduction in the Employee's Base Salary or benefits that diminishes the aggregate value of the Employee's compensation and benefits;
- (b) any reduction in the Employee's Bonus target;
- (c) a fundamental change (other than those that are clearly consistent with a promotion) in the Employee's position, title, duties, authority, or
- (d) a relocation of the Employee's principal place of employment more than fifty (50) kilometers from the primary location in effect prior to the Change of Control.

In the event that a Change of Control payment is triggered:

Mr. Petron, Mr. Botero, and Mr. Atacan be entitled to 24 months base salary and plus the full amount of the target Bonus that could be earned in respect of such twenty-four (24)-month period, in the case of Mr. Petron and Mr. Atacan payable in a lump sum within fifteen (15) days.

All unvested Options, RSUs, and DSUs that have been granted to the Named Executive Officer prior to the Change of Control shall vest immediately before such Change of Control and the NEO shall for a period of up to 12 months after the effective date of the Change of Control be permitted to exercise any such Options if not yet exercised (however, in no event shall the Named Executive Officer be permitted to exercise any Options beyond the expiry date thereof).

For purposes of the foregoing, a “Change of Control” is defined as the occurrence of any of the following:

- (a) an amalgamation, merger, or other consolidation or combination of the Corporation with another entity pursuant to which the shareholders of the Corporation immediately thereafter do not own securities of the successor or continuing entity which would entitle them to cast more than 50% of the votes attaching to all of the Common Shares;
- (b) a sale, lease, transfer, exclusive license or other disposition of all or substantially all of the Corporation’s assets (other than a sale, lease, transfer, exclusive license or other disposition to a wholly owned subsidiary of the Corporation);
- (c) a liquidation, dissolution, or winding up of the Corporation;
- (d) the election at a meeting of the Corporation’s shareholders of a number of directors, who were not included in the slate for election as directors approved by the prior Board, and would represent a majority of the Board; or
- (e) the appointment of a number of directors which would represent a majority of the Board and which were nominated by any holder of voting shares of the Corporation or by any group of holders of voting shares of the Corporation acting jointly or in concert and not approved by the Corporation’s prior Board.

Estimated payments, for Mr. Petron, Mr. Botero, and Mr. Atacan, assuming the occurrence of a termination or resignation for Good Reason following a Change of Control, on December 31, 2021, are approximately \$1,700,000, \$900,000, and \$1,000,000 less statutory deductions, respectively.

The Compensation Plan and RSU Plan also contain certain provisions relating to the accelerated vesting and exercise of Options and RSUs granted thereunder in the event the Company proposes to amalgamate, merge or consolidate with any other corporation (other than a wholly-owned subsidiary) or to liquidate, dissolve or wind-up, or in the event an offer to purchase or repurchase the Common Shares or any part thereof is made to all or substantially all holders of Common Shares.

Termination

Generally, the employment contracts of the NEOs may be terminated by the Company at any time for just cause without notice or payment in lieu thereof or payment of any compensation whatsoever by way of anticipated earnings, bonus payments, benefit contributions or damages of any kind.

In the absence of Just Cause, on providing two weeks’ written notice, in the case of Mr. Petron and Mr. Atacan,

the Company shall provide twelve (12) months' salary, target bonus, and benefits; in the case of Mr. Botero, twenty-four (24) months' notice of termination or base salary and target bonus.

If any NEO's employment is terminated without just cause, all unvested Options, RSUs, and DSUs that have been granted to the NEO shall vest immediately and be exercisable in full in accordance with their terms.

In the event of termination of a Named Executive Officer in circumstances other than in connection with Change of Control and in the absence of Just Cause, as described above, estimated payments for Mr. Petron, Mr. Atacan and Mr. Botero, excluding perquisites, assuming the occurrence of such termination event on December 31, 2022, were approximately \$850,000, \$500,000 and \$900,000, respectively. The Named Executive Officers would also be entitled to continuing employee benefits over the relevant severance period or a corresponding payout of the benefit amount.

Each Named Executive Officer has provisions in their employment contract that restricts such Named Executive Officer, both during the term of the agreement and at any time thereafter, from disclosing any confidential information to any person, or using the same for any purpose other than the purposes of the Company. No Named Executive Officer may disclose or use for any purpose, other than those of the Company, the private affairs of the Company, or any other information which he may acquire during the course of his employment in respect of the business and affairs of the Company.

Pension disclosure

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

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets out equity compensation plan information as at December 31, 2022. The following information relates to the Stock Option Plan, RSU Plan, and DSU Plan:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options and rights (a)	Weighted-average exercise price of outstanding options and rights (b)	Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	17,262,481 ⁽¹⁾	\$1.29 ⁽²⁾	5,407,519
Equity compensation plans not approved by securityholders	0	\$0	0
Total	17,262,481	\$1.29	5,407,519

Notes:

- (1) Comprised of 13,981,948 Stock Options, 275,000 DSUs and 3,005,533 RSUs.
- (2) This value reflects the weighted average exercise price of all outstanding Stock Options, RSUs and DSUs as at December 31, 2022, with no exercise price being paid in connection with the conversion of RSUs or DSUs into Common Shares.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, other than as disclosed in this Information Circular, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITOR

MNP LLP, Chartered Professional Accountants ("MNP"), was appointed auditor of the Company concurrent with the closing of the Qualifying Transaction on January 15, 2019.

Effective October 4, 2022, MNP resigned as the auditor for the Company (at the request of the Company) and BDO Canada LLP ("BDO") was appointed as auditor of the Company, to hold office until the Meeting. In accordance with National Instrument 51-102, a copy of the prescribed reporting package relating to the change in auditors is attached to this Information Circular as Schedule "B", including the Company's notice of change in auditors dated October 4, 2022, and letters of acknowledgement from each of MNP and BDO. As noted in the reporting package, no "reportable events" (within the meaning of NI 51-102) have occurred and MNP did not express a modified opinion on any of their reports on the Company's financial statements for the two most recently completed fiscal years preceding October 4, 2022, or any period subsequent to the two most recently completed fiscal years and ending on October 4, 2022.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

The Company is a venture issuer as defined under National Instrument 52-110 – *Audit Committees* ("NI 52-110") and each venture issuer is required to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

The Audit Committee's Charter

A copy of the Company's Audit Committee Charter is attached as Schedule "A" hereto. The Audit Committee Charter was adopted by the Board on January 15, 2019, and amended by the Board on May 27, 2020. The Audit Committee Charter was reviewed and re-approved without changes on February 8, 2021, and the actions and decisions of the Audit Committee have been governed by the Audit Committee Charter since its adoption.

Composition of the Audit Committee

The current Audit Committee members are Douglas Bache (Chair), and Marc Lusting. All Audit Committee members are "independent" and "financially literate" within the meaning of NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the Board's reasonable opinion, interfere with the exercise of a member's independent judgement.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements presenting a breadth and level of complexity of accounting issues generally comparable to the breadth and complexity of issues one can reasonably expect to be raised by the Company.

Relevant Education and Experience

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

- 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 provisions;
- 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.

See "Election of Directors - Biographies of Director Nominees" above, and in particular the biographies of each Audit Committee member, for more information concerning each Audit Committee member's education and experience.

Audit Committee Oversight

At no time since the commencement of the most recently completed financial year of the Company was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the directors of the Company.

Reliance on Certain Exemptions

Neither the Company's previous auditor, MNP, nor the Company's current auditor, BDO, have provided any material non-audit services. At no time since the commencement of the Company's two most recently completed financial years has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

BDO has served as the Company's auditors since October 4, 2022. For the financial years ended December 31, 2022, 2021, and 2020 audit fees, audit-related fees, tax fees and all other fees were for services rendered by MNP, the Company's former auditors. The Audit Committee has reviewed the nature and amount of the non-audit services provided by MNP to ensure auditor independence in the financial periods ended December 31, 2022, 2021, and 2020 respectively. Fees incurred with MNP for audit and non-audit services for the fiscal periods ending December 31, 2022, 2021 and 2020 respectively, are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended December 31, 2022	Fees Paid to Auditor in Year Ended December 31, 2021	Fees Paid to Auditor in Year Ended December 31, 2020
Audit Fees ⁽¹⁾	\$345,712	\$355,775	\$500,999
Audit-Related Fees ⁽²⁾	\$ 0	\$ 0	\$66,489
Tax Fees ⁽³⁾	\$15,029	\$11,063	\$20,116
All Other Fees ⁽⁴⁾	\$ 0	\$ 0	\$52,004
Total	\$360,741	\$366,838	\$639,608

Notes:

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

(2) “**Audit-Related Fees**” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) “**Tax Fees**” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) “**All Other Fees**” include all other non-audit services.

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemptions in Part 6.1 (*Reporting Obligations*) of NI 52-110.

MANAGEMENT CONTRACTS

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

SCHEDULE “A”

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee (the “**Committee**”) is a committee of PharmaCielo Ltd. (the “**Corporation**”) appointed by the board of directors of the Corporation (the “**Board**”) on an annual basis (or until their successors are duly appointed) to assist in fulfilling its oversight responsibilities. The Committee’s primary duties and responsibilities are to:

- (ii) Identify and monitor the management of risks affecting financial reporting.
- (iii) Monitor the integrity of the process including financial statements and disclosures of financial information.
- (iv) Review the adequacy of the internal control systems over financial reporting.
- (v) Provide oversight of the external auditor.
- (vi) Ensure compliance with regulatory requirements regarding financial reporting.
- (vii) Review any matters of suspected fraud or irregularities or a failure of internal controls systems of a material nature.

2. Membership

The Committee should be comprised of a minimum of three directors and a maximum of five directors.

- (i) The Committee must be constituted as required under National Instrument 52-110 – Audit Committees, as it may be amended or replaced from time to time (“**NI 52-110**”).
- (ii) All members of the Committee must be independent (as defined by NI 52-110) except for temporary periods where a sufficient number of independent directors is not available to form the Committee and then only until such time as a new independent director is appointed. All members must be free from any relationship that, in the view of the Board, could be reasonably expected to interfere with the exercise of his or her independent judgment as a member of the Committee.
- (iii) No members of the Committee shall receive, other than for service on the Board or the Committee or other committees of the Board, any consulting, advisory, or other compensatory fee from the Corporation or any of its related parties or subsidiaries.
- (iv) All members of the Committee must (except to the extent permitted by NI 52-110) be financially literate (which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements).

- (v) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all powers of the Committee so long as a quorum remains.

3. Limitation on Committee's Duties

- (i) In contributing to the Committee's discharge of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.
- (ii) Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, (iii) representations made by management of the Corporation ("**Management**") as to the non-audit services provided to the Corporation by the external auditor, (iv) financial statements of the Corporation represented to them by a member of Management or in a written report of the external auditors to present fairly the financial position of the Corporation in accordance with applicable generally accepted accounting principles, and (v) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

4. Meetings

- (i) At all meetings of the Committee every matter shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote.
- (ii) A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board.
- (iii) Meetings of the Committee should be scheduled to take place at least four times per year. The Committee should meet within 45 days following the end of the first three financial quarters of the Corporation and shall meet within 90 days following the end of the fiscal year of the Corporation. Minutes of all meetings of the Committee shall be taken.
- (iv) The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.
- (v) The Committee shall meet with the external auditors at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditors and the Committee consider appropriate.

- (vi) The Committee or its Chair should meet at least once per year with Management to discuss any matters that the Committee desires to discuss privately. In addition, the Committee or its Chair should meet with Management quarterly in connection with the Corporation's interim financial statements.

5. Responsibilities

I. Accounting Policies

- (i) Review significant accounting policies and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on financial reports.
- (ii) Review major changes to accounting policies and practices.
- (iii) Review with Management and the external auditor implementation of changes or improvements in financial accounting or reporting practices.
- (iv) Review Management's process for ensuring that information contained in public disclosures is consistent with industry best practices.

II. Internal Controls and Risk Management

- (i) Review interim and annual Chief Executive Officer and Chief Financial officer certifications filed with securities regulatory authorities.
- (ii) Review reports from Management and the external auditors with regard to the reliability and effective operation of the accounting system and related internal controls.
- (iii) Review risk Management policies and procedures (i.e. hedging, insurance etc.).
- (iv) Review Management's assessment of risk of fraud and error.
- (v) Review Management's policies for the protection of assets.
- (vi) Review Management's policies for the delegation of authority.
- (vii) Review code of business conduct, the process for communicating the code of conduct to employees and monitor compliance therewith.
- (viii) Review the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters; and confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- (ix) Review expense statements of the Chief Executive Officer and Chief Financial Officer as well as any director.
- (x) Assess the overall effectiveness of the internal control and risk management frameworks through discussions with Management and the external auditors and assess whether recommendations made by the external auditors have been implemented by Management.

III. Financial Reporting Process and Financial Statements

- (i) Inquire as to the integrity of the financial reporting processes both internal and external and any major weaknesses in the system of internal control.
- (ii) Review quarterly and annual financial statements with Management including significant accounting and reporting matters, including complex or unusual transactions, valuation of assets and liabilities, revenue recognition, and areas involving a high degree of judgment.
- (iii) Review and discuss with Management and the external auditors quarterly and annual financial statements, Management's Discussion & Analysis, Annual Information Form and quarterly press releases and approve and recommend their approval by the Board.
- (iv) Review and approve any other press releases that contain financial information and such other financial information of the Corporation provided to the public or any governmental body as the Committee requires.
- (v) Review recent professional and regulatory pronouncements and understand their impact on the financial statements.
- (vi) Review with Management and the external auditor any significant issues or concerns identified during the course of the audit, including both resolved and unresolved issues, critical accounting or audit judgments, misstatements whether adjusted or those that remain unadjusted and obtain explanations from Management and the external auditor.
- (vii) Review issues related to liquidity, capital resources and contingencies that could affect liquidity.
- (viii) Review all hedging activities.
- (ix) Review any off-balance sheet transactions and transactions with related parties.
- (x) Review with the external auditor all matters required to be communicated to audit committees.
- (xi) Review the impact of prospective changes in accounting policies prior to their adoption.
- (xii) Satisfy itself that adequate procedures have been put in place by Management for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and the related Management's Discussion & Analysis.
- (xiii) Review any litigation, claim or other contingency and any regulatory or accounting initiatives that could have a material effect upon the financial position or operating results of the Corporation and the appropriateness of the disclosure thereof in the documents reviewed by the Committee.

- (xiv) Receive periodically Management reports assessing the adequacy and effectiveness of the Corporation's disclosure controls and procedures.
- (xv) Periodically consider the need for an internal audit function, if not present.
- (xvi) Review all material balance sheet issues, material contingent obligations and material related party transactions.
- (xvii) Review with Management and the external auditor the Corporation's accounting policies and any changes that are proposed to be made thereto, including all critical accounting policies and practices used, any alternative treatments of financial information that have been discussed with Management, the ramification of their use and the external auditor's preferred treatment and any other material communications with Management with respect thereto. Review the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financial reporting.

IV. Audit Process

- (i) Be directly responsible for the selection, appointment, compensation, retention, termination, and oversight of the work of the external auditor. Monitor audit engagement partner rotation requirements.
- (ii) Consider and assess the independence of the external auditor.
- (iii) Advise the external auditor that it is required to report to the Committee, and not to Management.
- (iv) Following completion of the annual audit and quarterly reviews, review separately with each of Management and the external auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and, if applicable, reviews, including any restrictions on the scope of work or access to required information and the cooperation that the external auditor received during the course of the audit and, if applicable, reviews.
- (v) Oversee 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, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- (vi) Where there are significant unsettled issues between Management and the external auditor that do not affect the audited financial statements, the Committee shall seek to ensure that there is an agreed course of action leading to the resolution of such matters.
- (vii) Review annually with the external auditor their plan for their audit and upon completion of the audit, their reports on financial statements, financial reporting framework and internal controls.

- (viii) Review with external auditors their assessment of the internal controls of the Corporation, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses.
- (ix) Meet separately with the external auditor to discuss any matters the Committee or auditors believe should be discussed privately. Ensure the auditors have access to the Chair of the Committee when required
- (x) Conduct an external auditor evaluation on a periodic basis.
- (xi) Approve audit fees paid to external auditor annually.
- (xii) Review and discuss on an annual basis with the external auditor all significant relationships they have with the Corporation, Management or employees that might interfere with the independence of the external auditor.
- (xiii) Pre-approve all non-audit services to be provided.
- (xiv) Recommend appointment of external auditor to Board annually.
- (xv) Consider the need for independent audits of operations or investments.
- (xvi) Consider the need for an internal audit process
- (xvii) Review and approve hiring policies regarding employees and former employees of the present and former auditors
- (xviii) Review the system in place to seek to ensure that the financial statements, Management's Discussion & Analysis and other financial information disseminated to regulatory authorities and the public satisfy applicable requirements.

V. Tax, Legal and Regulatory Compliance

- (i) Review tax compliance to ensure tax regulations are sufficiently considered by Management and that tax risks are managed.
- (ii) Review report of CFO that all taxes collected have been remitted to authorities.
- (iii) Obtain regular updates from Management and legal counsel regarding compliance matters that may have a material impact on the financial statements.
- (iv) Assess compliance with laws and regulations.
- (v) Review the findings of any examinations by regulatory authorities.

VI. Additional Responsibilities

- (i) Review and reassess the adequacy of the Committee's charter on an annual basis
- (ii) Review the public disclosure regarding the Committee required from time to time by NI52-110.

- (iii) Engage independent counsel and other advisors as it determines necessary to carry out its duties at the expense without further approval of the Board. The Committee has the authority to set and pay compensation for any advisors it engages. The Committee also has the authority to communicate directly with the external auditors.
- (iv) Review in advance, and approve, the hiring and appointment of the Corporation's senior financial executives.
- (v) Evaluate the Committee's performance, both individual members and collectively, on an annual basis.
- (vi) Establish a special committee to examine activities, incidents and allegations against the Corporation and engage independent counsel and other advisors as it determines necessary to carry out its duties and set and pay the compensation and expenses for any such advisors.
- (vii) Review annually with management and the external auditor and report to the Board on insurable risks and ensure appropriate insurance coverage.
- (viii) Maintain minutes of meetings.
- (ix) Perform any other activities as the Committee or the Board deems necessary or appropriate.

VII. Complaint Procedures

- (i) Anyone may submit a complaint regarding conduct by the Corporation or its employees or agents (including its external auditor) reasonably believed to involve questionable accounting, internal accounting controls, auditing or other matters. The Chair of the Committee will have the power and authority to oversee treatment of such complaints.
- (ii) Complaints are to be directed to the attention of the Chair of the Committee.
- (iii) The Committee should endeavor to keep the identity of the complainant confidential.

The Chair of the Committee will have the power and authority to lead the review and investigation of a complaint. The Committee should retain a record of all complaints received. Corrective action may be taken when and as warranted.

SCHEDULE "B"
APPOINTMENT OF AUDITOR

NOTICE OF CHANGE OF AUDITOR

TO: Alberta Securities Commission,
British Columbia Securities Commission,
Ontario Securities Commission,
Autorité des Marchés Financiers
Nova Scotia Securities Commission

AND TO: *BDO Canada LLP*

AND TO: *MNP LLP*

NOTICE is hereby given of a change in auditor of PharmaCielo Ltd. (the "Corporation"). Effective October 4, 2022, MNP LLP ("MNP" or the "predecessor auditor") resigned as the Corporation's auditor, upon the request of the Corporation. On October 4, 2022, the Corporation appointed BDO Canada LLP ("BDO" or the "successor auditor"), as successor auditors.

TAKE FURTHER NOTICE THAT:

- (a) the resignation of MNP has been considered and reviewed by the Corporation's audit committee and the appointment of BDO has been approved by the Board of Directors of the Corporation.
- (b) there have been no reservations contained in the predecessor auditors' reports on the annual financial statements of the Corporation relating to the "relevant period" as that term is defined in Section 4.11 of NI 51-102; and
- (c) there were no reportable events (as defined in Section 4.11(1) of NI 51-102).

DATED at Toronto, Ontario this 4th day of October 2022.

BY ORDER OF THE BOARD

"Ian Atacan"

Ian Atacan, Chief Financial Officer



October 12, 2022

**Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission
Autorité des Marchés Financiers
Nova Scotia Securities Commission**

Dear Sirs/Mesdames:

**Re: PharmaCielo Ltd. (the “Corporation”)
Notice of Change of Auditor Pursuant to National Instrument NI 51-102
(Section 4.11)**

In accordance with Section 4.11 of National Instrument 51-102, we have reviewed the Corporation’s Notice of Change of Auditor (“the Notice”) dated October 4, 2022. Based on our information to this date, we agree with Statements a), b), and c) contained in the Notice.

Yours truly,

A handwritten signature in black ink that reads 'M. Raza'.

Maruf Raza, CPA, CA
Partner, National Director Public Companies



Tel: 604 688 5421
Fax: 604 688 5132
www.bdo.ca

BDO Canada LLP
1100 - Royal Centre
1055 West Georgia Street P.O. Box 11101
Vancouver, BC V6E 3P3 Canada

October 4, 2022

British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission
Nova Scotia Securities Commission
Autorité des marchés financiers

Dear Sirs/Mesdames:

Re: PharmaCielo Ltd. (the “Company”)

As required under subparagraph (5)(a)(ii) of section 4.11 of National Instrument 51-102, we have read the Company’s Change of Auditor Notice dated October 4, 2022 (“the Notice”).

We confirm our agreement with the information contained in the Notice pertaining to our firm.

Yours very truly,

/s/ “BDO CANADA LLP”

Chartered Professional Accountants

