NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF BUFFALO CAPITAL INC.

to be held on October 6, 2017

and

MANAGEMENT INFORMATION CIRCULAR

with respect to a proposed

AMALGAMATION

of

BUFFALO CAPITAL INC.

with

WAVERLEY PHARMA INC.

August 28, 2017

You are advised to carefully read this management information circular, including its appendices. It contains important information relating to Buffalo Shareholders concerning the amalgamation described above and other matters to be voted upon at the Buffalo Meeting.

If you are in doubt as to how to deal with these materials or the matters they describe, please consult your financial, tax, legal or other professional advisors.

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Amalgamation as described in this Information Circular.

TABLE OF CONTENTS

APPENDICES

LETTER TO BUFFALO SHAREHOLDERS

August 28, 2017

Dear Shareholders of Buffalo Capital Inc. ("**Buffalo**"):

You are invited to attend an annual and special meeting (the "**Buffalo Meeting**") of holders ("**Buffalo Shareholders**") of common shares ("**Buffalo Shares**") in the capital of Buffalo to be held at 4 – 1250 Waverley Street, Winnipeg, Manitoba, at 2:00 p.m. (Central Daylight Time) on Friday, October 6, 2017. At the Buffalo Meeting, Buffalo Shareholders will be asked to consider, among other matters, the non-arm's length amalgamation (the "**Amalgamation**") of Buffalo and Waverley Pharma Inc. ("**Waverley**"), as more particularly set forth in the accompanying management information circular (the "**Information Circular**").

On August 8, 2017, Buffalo and Waverley entered into an amalgamation agreement (the "**Amalgamation Agreement**") pursuant to which, among other things, Buffalo agreed to amalgamate with Waverley to continue as an amalgamated federal entity (the "**Resulting Issuer**"). Pursuant to the Amalgamation Agreement, Buffalo Shareholders will receive, for each Buffalo Share, one (1) common share in the capital of the Resulting Issuer (a "**Resulting Issuer Share**").

The TSX Venture Exchange Inc. ("**TSXV**") has conditionally accepted the Amalgamation and the listing of the Resulting Issuer Shares to be issued pursuant to the Amalgamation, subject to satisfaction of certain conditions.

If you cannot attend the Buffalo Meeting in person, please complete and sign the enclosed form of proxy and submit it to Computershare Investor Services Inc. ("Computershare"). A proxy will not be valid unless it is hand delivered to Computershare at 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at www.investorvote.com. All instructions are listed in the enclosed form of proxy. Your proxy or voting instructions must be received in each case no later than 2:00 p.m. (Central Daylight Time) on the date that is 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjourned Meeting.

The resolution approving the Amalgamation (the "**Buffalo Amalgamation Resolution**") must be approved by not less than $66^{2}/_{3}\%$ of the votes cast by Buffalo Shareholders, either in person or by proxy at the Buffalo Meeting. The Buffalo Amalgamation Resolution must also receive Majority of the Minority Approval (as defined in the policies of the TSXV) and minority approval (as defined in applicable securities laws) of the votes cast by Buffalo Shareholders either in person or by proxy at the Buffalo Meeting.

If the requisite approvals are obtained and if the other conditions to the Amalgamation becoming effective are satisfied or waived, it is expected that the Amalgamation will become effective on or about October 10, 2017.

The board of directors of Buffalo (the "Buffalo Board") has unanimously approved the Amalgamation (Albert D. Friesen abstaining) and (i) determined that the Amalgamation is in the best interests of Buffalo and the Buffalo Shareholders; (ii) approved the Amalgamation Agreement and the transactions contemplated thereby; and (iii) recommends approval of the Amalgamation by Buffalo Shareholders.

The accompanying Information Circular of Buffalo contains a detailed description of the Amalgamation as well as information regarding Buffalo and Waverley. Please give this material your careful consideration and, if you require assistance, consult your financial, tax or other professional advisors.

If you are a non-registered holder of Buffalo Shares and have received these materials from your broker or another intermediary, please complete and return the proxy or other authorization form provided to you by your broker or other intermediary in accordance with the instructions provided with it. Failure to do so may result in your Buffalo Shares not being eligible to be voted at the Buffalo Meeting.

On behalf of the Buffalo Board, I would like to express our gratitude for the support of our shareholders with respect to our decision to move forward with the proposed Amalgamation.

Yours very truly,

(signed) "*Albert D. Friesen*"

Dr. Albert D. Friesen
Chief Executive Officer, Corporate Secretary and a Director

BUFFALO CAPITAL INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Buffalo Meeting**") of the holders ("**Buffalo Shareholders**") of common shares ("**Buffalo Shares**") in the capital of Buffalo Capital Inc. ("**Buffalo**") will be held on Friday, October 6, 2017 at 4 – 1250 Waverley Street, Winnipeg, Manitoba at 2:00 p.m. (Central Daylight Time) for the following purposes:

1. to receive and consider the financial statements of Buffalo for the periods ended December 31, 2016 and January 31, 2017, together with the report of the independent auditors thereon;

2. to elect directors for the ensuing year;

3. to consider and if deemed appropriate, to approve, with or without variation, a special resolution (the "**Buffalo Amalgamation Resolution**") to approve the non-arm's length amalgamation between Buffalo and Waverley Pharma Inc. ("**Waverley**"), pursuant to an amalgamation agreement dated August 8, 2017 (the "**Amalgamation Agreement**") whereby it is proposed that Waverley and Buffalo amalgamate (the "**Amalgamation**") and continue as one corporation (the "**Resulting Issuer**") pursuant to the provisions of the *Canada Business Corporations Act* (the "**CBCA**");

4. to consider, and if deemed appropriate, to pass an ordinary resolution approving Buffalo's existing stock option plan as the stock option plan of the Resulting Issuer, should the Amalgamation be approved and completed, and ratifying Buffalo's existing stock option plan should the Amalgamation not be approved;

5. to consider, and if deemed appropriate to pass an ordinary resolution that appoints MNP LLP as the auditors of the Resulting Issuer for the ensuing year and authorizes the directors of the Resulting Issuer to fix their remuneration should the Amalgamation be approved and completed, and re-appoints MNP LLP as the auditors of Buffalo for the ensuing year and authorizes the directors to fix their remuneration should the Amalgamation not be approved; and

6. to transact such further and other business as may properly be brought before the Buffalo Meeting or any adjournment thereof.

Specific details of the matters to be put before the Buffalo Meeting are set forth in the accompanying management information circular (the "**Information Circular**").

The board of directors of Buffalo unanimously (Albert D. Friesen abstaining) recommends that Buffalo Shareholders vote IN FAVOUR the Buffalo Amalgamation Resolution. It is a condition to the completion of the Amalgamation that the Buffalo Amalgamation Resolution be approved at the Buffalo Meeting.

Each Buffalo Share entitled to be voted in respect of the Buffalo Amalgamation Resolution at the Buffalo Meeting will entitle the holder to one vote at the Buffalo Meeting. The special resolution approving the Buffalo Amalgamation Resolution must be approved by at least $66^2/_3\%$ of the votes cast by the holders of Buffalo Shares, either in person or by proxy, at the Buffalo Meeting. The Buffalo Amalgamation Resolution must also receive Majority of the Minority Approval (as defined in the policies of the TSX Venture Exchange) and minority approval (as defined in applicable securities laws) of the votes cast by Buffalo Shareholders either in person or by proxy at the Buffalo Meeting.

The record date (the "**Record Date**") for determination of Buffalo Shareholders entitled to receive notice of and to vote at the Buffalo Meeting is September 5, 2017. Only Buffalo Shareholders whose names have been entered in the register of Buffalo Shareholders, on the close of business on the Record Date will be entitled to receive notice of and to vote at the Buffalo Meeting, provided that, to the extent that a Buffalo Shareholder transfers the ownership of any Buffalo Shares after the Record Date and the transferee of those Buffalo Shares establishes ownership of such Buffalo Shares and demands, not later than ten days before the Buffalo Meeting, to be included in the list of Buffalo

Shareholders eligible to vote at the Buffalo Meeting, such transferee will be entitled to vote those Buffalo Shares at the Buffalo Meeting.

Registered Buffalo Shareholders may attend the Buffalo Meeting in person or may be represented by proxy. Buffalo Shareholders who are unable to attend the Buffalo Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Buffalo Meeting or any adjournment thereof. A proxy will not be valid unless it is deposited with our transfer agent Computershare Investor Services Inc. by hand delivery to Computershare at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at www.investorvote.com. All instructions are listed in the enclosed form of proxy. Your proxy or voting instructions must be received in each case no later than 2:00 p.m. (Central Daylight Time) on the date that is 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjourned Meeting.

If you are a non-registered holder of Buffalo Shares and have received these materials from your broker or another intermediary, please complete and return the form of proxy or other authorization form provided to you by your broker or intermediary in accordance with the instructions provided. Failure to do so may result in your Buffalo Shares not being eligible to be voted at the Buffalo Meeting.

If a Buffalo Shareholder receives more than one form of proxy because such holder owns Buffalo Shares registered in different names or addresses, each form of proxy should be completed and returned.

A proxyholder has discretion under the accompanying form of proxy in respect of amendments or variations to matters identified in this Notice and with respect to other matters which may properly come before the Buffalo Meeting, or any adjournment thereof. As of the date hereof, management of Buffalo knows of no amendments, variations or other matters to come before the Buffalo Meeting other than the matters set forth in this Notice. Buffalo Shareholders who are planning on returning the form of proxy are encouraged to review the Information Circular carefully before submitting the proxy form.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote IN FAVOUR of the Buffalo Amalgamation Resolution and all other resolutions presented to Buffalo Shareholders at the Buffalo Meeting.

Pursuant to Section 190 of the CBCA, holders of Buffalo Shares are entitled to exercise rights of dissent with respect to the Buffalo Amalgamation Resolution and, if the Amalgamation becomes effective, to be paid the fair value of their Buffalo Shares in accordance with the provisions of Section 190 of the CBCA. A Buffalo Shareholder's right to dissent is more particularly described in the Information Circular and the text of Section 190 of the CBCA which is set forth in Appendix "G" to the accompanying Information Circular. To exercise such right, a dissenting shareholder must send to Buffalo, c/o Pushor Mitchell LLP, 301 – 1665 Ellis Street, Kelowna, British Columbia V1Y 2B3, Attention: Keith Inman, a written notice of dissent to the Buffalo Amalgamation Resolution, which written notice of dissent must be received by 4:00 p.m. (Mountain Daylight Time) on October 4, 2017 or two Business Days immediately preceding the date of any adjournment of the Buffalo Meeting.

Failure to strictly comply with the requirements set forth in Section 190 of the CBCA may result in the loss of any right of dissent. Persons who are beneficial owners of Buffalo Shares registered in the name of a broker, dealer, bank, trust company or other nominee who wish to dissent should be aware that only the registered holders of such Buffalo Shares are entitled to dissent. Accordingly, a beneficial owner of Buffalo Shares desiring to exercise the right of dissent must make arrangements for the Buffalo Shares beneficially owned by such holder to be registered in the holder's name prior to the time the written objection to the Buffalo Amalgamation Resolution is required to be received by Buffalo or, alternatively, make arrangements for the registered Buffalo Shareholder of such Buffalo Shares to dissent on behalf of the beneficial holder. It is strongly suggested that any Buffalo Shareholders wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of the CBCA may prejudice such securityholder's right to dissent.

DATED at Winnipeg, Manitoba, this 28th day of August, 2017.

BY ORDER OF THE BOARD OF DIRECTORS OF BUFFALO CAPITAL INC.

(signed) "*Albert D. Friesen*"

Dr. Albert D. Friesen
Chief Executive Officer, Corporate Secretary and a Director

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular including the Summary and Appendices hereto. Terms and abbreviations used in the Appendices to this Information Circular may be defined separately and any subsequent definitions and abbreviations shall supersede the following definitions and abbreviations for the purposes of the Appendix they are subsequently defined in.

"**Agent**" means PI Financial Corp.;

"**Amalgamation**" means the non-arm's length amalgamation of Waverley and Buffalo under the provisions of the CBCA on the terms and conditions set forth in the Amalgamation Agreement;

"**Amalgamation Agreement**" means the amalgamation agreement between Buffalo and Waverley dated August 8, 2017 providing for the Amalgamation and all amendments thereto, a copy of which is attached as Appendix "D" to this Information Circular;

"**Applicable Laws**" means applicable corporate and securities laws, regulations and rules, all policies thereunder and rules of applicable stock exchanges;

"**Articles of Amalgamation**" means the articles of amalgamation of the Resulting Issuer;

"**Buffalo**" means Buffalo Capital Inc., a corporation incorporated under the CBCA;

"**Buffalo Agent's Warrants**" means the outstanding agent's warrants issued to the agent in connection with Buffalo's initial public offering;

"**Buffalo Amalgamation Resolution**" means the special resolution in respect of the Amalgamation to be considered by the Buffalo Shareholders at the Buffalo Meeting, the full text of which is set forth in Appendix "C" to this Information Circular;

"**Buffalo Board**" or "**Buffalo Board of Directors**" means the board of directors of Buffalo as it may be constituted from time to time;

"**Buffalo Dissenting Shareholders**" means the Buffalo Shareholders who validly exercise their rights of dissent provided to them under the CBCA in respect of the Buffalo Shares;

"**Buffalo Meeting**" means the annual and special meeting of the Buffalo Shareholders to be held on October 6, 2017, and any adjournment(s) or postponement thereof, to be called and held to, among other things, consider and, if deemed appropriate, approve the Amalgamation;

"**Buffalo Optionholders**" means the holders from time to time of Buffalo Options;

"Buffalo Option Plan" means the stock option plan of Buffalo;

"**Buffalo Options**" means the outstanding stock options of Buffalo, whether or not vested, entitling the holders thereof to acquire Buffalo Shares;

"**Buffalo Public Documents**" means all documents or information filed by or on behalf of Buffalo in compliance with or intended compliance with Applicable Laws

"**Buffalo Shareholders**" means the holders from time to time of Buffalo Shares;

"**Buffalo Shares**" means the common shares in the capital of Buffalo;

"**Business Day**" means a day other than a Saturday, Sunday or other than a day when banks in the City of Winnipeg, Manitoba are not generally open for business;

"**Capital Pool Company**" means a corporation: (a) that has filed and obtained a receipt for a preliminary CPC Prospectus (as defined in TSXV Policy 2.4) from one or more of the securities regulatory authorities in compliance with TSXV Policy 2.4; and (b) in regard to which the Final Exchange Bulletin has not yet been issued.

"**CBCA**" means the *Canada Business Corporations Act* as amended or re-enacted, including the regulations promulgated thereunder;

"**Certificate of Amalgamation**" means a certificate of amalgamation issued by the Director under the CBCA giving effect to the Amalgamation;

"**Closing Date**" means the date of the completion of the Amalgamation as set forth in the Amalgamation Agreement, including the issuance of the Resulting Issuer Shares described therein, which is intended to take place on October 10, 2017 or such other date that is mutually agreed to by the Parties;

"**Concurrent Financing**" means the brokered private placement financing of up to 10,000,000 Buffalo Shares at a price of $0.50 per share for aggregate gross proceeds of up to $5,000,000, or such other amount and price as may be determined by the Corporation and approved by the TSXV;

"**Court**" means the Court of Queen's Bench, Winnipeg Centre;

"**CRA**" means the Canada Revenue Agency;

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA;

"**Dissent Rights**" means the right of a Buffalo Shareholder pursuant to Section 190 of the CBCA to dissent to the Buffalo Amalgamation Resolution and to be paid the fair value of the securities in respect of which the holder dissents, all in accordance with Section 190 of the CBCA, the full text of which is attached hereto as Appendix "G";

"**Effective Date**" means the date the Amalgamation becomes effective under the CBCA which is scheduled to occur on October10, 2017 or such earlier or later date as may be agreed to by Buffalo and Waverley;

"**Effective Time**" means 12:01 a.m. (Winnipeg time) on the Effective Date;

"**Final Exchange Bulletin**" means the TSXV bulletin issued following the closing of a Qualifying Transaction and the submission of all required documentation and that evidences the final TSXV acceptance of the Qualifying Transaction;

"**Governmental Authority**" includes any federal, provincial, municipal or other political subdivision, government department, commission, board, bureau, agency or instrumentality, domestic or foreign;

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board;

"**Information Circular**" means this management information circular dated August 28, 2017, of Buffalo, together with all Appendices hereto, distributed to the Buffalo Shareholders in connection with the Buffalo Meeting;

"**Majority of the Minority Approval**" has the meaning ascribed thereto in TSXV Policy 2.4;

"**Material Adverse Change**" or "**Material Adverse Effect"** means, with respect to any person, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, assets, capitalization, financial condition, licenses, permits, concessions, rights, privileges, liabilities or prospects, whether contractual or otherwise, of such person, other than any matter, action, effect or change relating to or resulting from: (i) a matter that has, prior to the date hereof, been publicly disclosed or disclosed to the other Party; (ii) conditions affecting the pharmaceutical industry as a whole; (iii) general economic, financial, currency exchange, securities or commodity market conditions in Canada; or (iv) any matter consented to, or that results from a matter that is consented to, in writing by the other Party hereto

"**MD&A**" means management's discussion and analysis;

"**minority approval**" has the meaning ascribed thereto in MI 61-101;

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**NI 58-101**" means National Instrument 58-101 - *Disclosure of Corporate Governance Practices*;

"**Notice of Meeting**" means the notice of the annual and special meeting of Buffalo, which accompanies this Information Circular;

"**Parties**" means Buffalo and Waverley; and "**Party**" means any one of them;

"**person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, governmental entity, syndicate or other entity, whether or not having legal status and includes the Parties;

"**Qualifying Transaction**" means a transaction where a Capital Pool Company acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means;

"**Record Date**" means September 5, 2017;

"**Resulting Issuer**" means the corporation continuing from the Amalgamation;

"**Resulting Issuer Agent's Warrant**" means, following the Effective Date, the outstanding agent's warrants issued to the Agent in connection with Buffalo's initial public offering;

"**Resulting Issuer Options**" means the incentive stock options of the Resulting Issuer;

"**Resulting Issuer Option Plan**" means the stock option plan of the Resulting Issuer;

"**Resulting Issuer Shares**" means common shares in the capital of the Resulting Issuer;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval, the public filing system for public securities documents and information filed by public companies, which is maintained by the Canadian Securities Administrators (www.sedar.com);

"**Significant Assets**" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by a Capital Pool Company, together with any other concurrent transactions would result in the Capital Pool Company meeting the Initial Listing Requirements (as identified in TSXV Policy 2.1);

"**subsidiary**" has the meaning ascribed thereto in the CBCA;

"**Superior Proposal**" has the meaning ascribed thereto in the Amalgamation Agreement;

"**Take-Over Proposal**" has the meaning ascribed thereto in the Amalgamation Agreement;

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, all as amended from time to time;

“**Territory**” means, collectively, the United States of America and its territories (Puerto Rico, Guam and the U.S. Virgin Islands), Canada and Europe (other than the United Kingdom);

“**TSXV**” means the TSX Venture Exchange;

“**TSXV Escrow Agreement**” means the agreement to be entered into, pursuant to TSXV rules, on or before the Effective Date between certain principals of the Resulting Issuer and the TSXV which will provide that the Resulting Issuer Shares be issued to such principals may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior consent of the TSXV;

“**WAV-101**” means an injectable generic chemotherapy drug, developed for the treatment of non-small cell lung cancer and pleural mesothelioma;

“**WAV-102**” means an injectable generic chemotherapy drug, developed for the treatment of multiple myeloma and mantle cell lymphoma;

“**Waverley**” means Waverley Pharma Inc., a corporation incorporated under the CBCA;

“**Waverley License, Manufacture and Supply Agreement**” means the definitive agreement to be entered into between the Waverley Subsidiary and Reliance Life Sciences Private Limited pursuant to which the Waverley Subsidiary will acquire an exclusive license to market, sell and distribute WAV-101 and WAV-102 in the Territory and a non-exclusive license to market, sell and distribute the WAV-101 and WAV-102 in the United Kingdom;

“**Waverley Amalgamation Resolution**” means the special resolution in respect of the Amalgamation to be considered by the Waverley Shareholder;

“**Waverley Shareholder**” means ADF Family Holding Corp., a corporation controlled by Dr. Albert D. Friesen;

“**Waverley Shares**” means the Class A Common Shares in the capital of Waverley;

“**Waverley Subsidiary**” means Waverley Pharma International Inc.; and

“**Waverley Term Sheet**” means the binding term sheet dated July 5, 2017 between the Waverley Subsidiary and Reliance Life Sciences Private Limited.

Words importing the singular include the plurals and vice-versa and words importing any gender include all genders.

MANAGEMENT INFORMATION CIRCULAR

Introduction

This Information Circular is furnished in connection with the solicitation of proxies by the management of Buffalo for use at the Buffalo Meeting. No person has been authorized to give any information or make any representation in connection with the Amalgamation or other matters to be considered at the Buffalo Meeting other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

This Information Circular does not constitute an offer to sell or a solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation of an offer or a proxy solicitation. Neither the delivery of this Information Circular nor any distribution of the securities referred to in this Information Circular will, under any circumstances, create an implication that there has been no change in the information set forth herein since the date as of which such information is given in this Information Circular.

The information concerning Waverley contained in this Information Circular has been provided by Waverley. Although Buffalo has no knowledge that would indicate that any of such information provided by Waverley is untrue or incomplete, Buffalo assumes no responsibility for the accuracy or completeness of information provided by Waverley or the failure by Waverley to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to Buffalo.

The Buffalo Meeting has been called, among other things, for the purpose of considering and, if deemed advisable, passing the Buffalo Amalgamation Resolution and the annual meeting matters set forth in Appendix “A”.

All summaries of, and references to the Amalgamation Agreement and the Amalgamation in this Information Circular are qualified in their entirety by reference to the complete text of the Amalgamation Agreement, a copy of which is attached as Appendix “D” to this Information Circular. **You are urged to carefully read the full text of the Amalgamation Agreement.**

Information contained in this Information Circular is given as of August 28, 2017, unless otherwise specifically stated. Details of the Amalgamation are set forth under the headings “*The Amalgamation*” and “*The Effect of the Amalgamation*.” For details of the matters to be considered by the Buffalo Shareholders, see “*Matters to be Considered at the Buffalo Meeting*”.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this Information Circular (including the Appendices hereto and the documents incorporated by reference herein) constitute “forward-looking information” within the meaning of applicable Canadian securities legislation, including, but not limited to statements or information with respect to the anticipated benefits resulting from the Amalgamation, the timing and success of applications to obtain approvals required with respect to the Amalgamation and the nature of the business and operations of the Resulting Issuer following the completion of the Amalgamation. The use of any of the words “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “goal”, “predict”, “potential”, “should”, “believe” and similar expressions are intended to identify forward-looking information and statements. The information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information and statements. Such statements reflect Buffalo’s or Waverley’s, as the case may be, current views with respect to certain events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause Buffalo’s, Waverley’s or the Resulting Issuer’s actual results, performance, or achievements to vary from those described in this Information Circular (including the Appendices hereto and the documents incorporated by reference herein). Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this Information Circular as intended, planned, anticipated, believed, estimated, or expected.

The reader is further cautioned that the preparation of financial statements, including pro forma financial statements, in accordance with IFRS requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates may change, having either a negative or positive effect as further information becomes available, and as the economic environment changes.

The forward-looking statements contained in this Information Circular, including the documents incorporated by reference herein, identify additional factors that could affect the operating results and performance of Buffalo, Waverley and the Resulting Issuer. **We urge you to consider those factors.** The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements speak only as of the date of this Information Circular. Neither Buffalo, Waverley nor the Resulting Issuer intends or assumes any obligation to update these forward-looking statements to reflect new information, subsequent events or otherwise, except as required by law.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including: (i) with respect to the anticipated closing date of the Amalgamation, expectations and assumptions concerning timing of receipt of required shareholder approvals and the satisfaction of other conditions to the completion of the Amalgamation; (ii) expectations and assumptions concerning the receipt of a license to market, sell and distribute WAV-101 and WAV-102 in the Territory; (iii) expectations and assumptions concerning the success of any marketing, sales or distributions efforts in connection with WAV-101 and WAV-102; (iv) expectations and assumptions concerning the receipt of required regulatory approvals for WAV-101 and WAV-102 or other drugs; (v) expectations and assumptions concerning entering into additional agreements to license the commercial rights to other generic drugs; and (vi) expectations concerning the closing of the Concurrent Financing.

With respect to the forward-looking statements contained herein, although Buffalo believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements, because no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals or satisfy the conditions to closing the Amalgamation; risks associated with the pharmaceutical industry in general (e.g., operational risks in development and marketing of drugs); delays or changes in plans with respect to the license of the right to market, sell and distribute WAV-101 or WAV-102 or other drugs, or capital expenditures; the uncertainty of estimates and projections relating to production, sales, costs and expenses, price and exchange rate fluctuations; uncertainties resulting from potential delays or changes in plans with respect to development projects or capital expenditures; and uncertainties concerning the completion of the Concurrent Financing. Certain of these risks are set out in more detail under the heading “Risk Factors”.

With respect to the forward-looking statements contained herein, Buffalo has made assumptions regarding, among other things: future drug prices and cost of products sold; ability to obtain required capital to finance operations; ability to obtain sales success consistent with expectations; no material variations in the current tax and regulatory environments and the ability to obtain services, supplies and personnel in a timely manner to carry out the Resulting Issuer’s activities. Forward-looking statements and other information contained herein concerning the pharmaceutical industry and Buffalo’s general expectations concerning this industry are based on estimates prepared by Buffalo’s management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which Buffalo believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Buffalo is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors. Certain of these risks are set out in more detail under the heading “Risk Factors”.

SUMMARY

The following is a summary of information relating to Buffalo, Waverley and the Resulting Issuer, assuming completion of the Amalgamation, and should be read together with the more detailed information and financial data and statements contained elsewhere in this Information Circular. This summary is qualified in its entirety by the more detailed information appearing elsewhere in the Notice of Meeting and this Information Circular, including the Appendices hereto.

The Buffalo Meeting

The Buffalo Meeting will be held at 2:00 p.m. (Central Daylight Time) on Friday, October 6, 2017, at 4 – 1250 Waverley Street, Winnipeg, Manitoba, for the following purposes:

1. to receive and consider the financial statements of Buffalo for the periods ended December 31, 2016 and January 31, 2017, together with the report of the independent auditors thereon;

2. to elect directors for the ensuing year;

3. to consider and if deemed appropriate, to approve, with or without variation, the Buffalo Amalgamation Resolution to approve the non-arm's length Amalgamation between Buffalo and Waverley;

4. to consider, and if deemed appropriate, to pass an ordinary resolution approving the Buffalo's existing stock option plan as the Resulting Issuer Option Plan, should the Amalgamation be approved and completed, and ratifying Buffalo's existing stock option plan should the Amalgamation not be approved;

5. to consider, and if deemed appropriate to pass an ordinary resolution that appoints MNP LLP as the auditors of the Resulting Issuer for the ensuing year and authorizes the directors of the Resulting Issuer to fix their remuneration should the Amalgamation be approved and completed, and re-appoints MNP LLP as the auditors of Buffalo for the ensuing year and authorizes the directors to fix their remuneration should the Amalgamation not be approved; and

6. to transact such further and other business as may properly be brought before the Buffalo Meeting or any adjournment thereof.

The record date for the determination of Buffalo Shareholders entitled to receive notice of and to vote at the Buffalo Meeting is September 5, 2017. Buffalo Shareholders of record as the close of business on the Record Date will be entitled to receive notice of and to vote at the Buffalo Meeting.

Buffalo Capital Inc.

Buffalo is a Capital Pool Company whose principal business is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction. Subject to approval of the TSXV, Buffalo intends the Amalgamation to constitute its Qualifying Transaction.

Buffalo is a corporation incorporated under the CBCA. The head office of Buffalo is located at 4 – 1250 Waverley Street, Winnipeg, Manitoba R3T 6C6 and the registered office of Buffalo is located at 301 – 1665 Ellis Street, Kelowna, British Columbia V1Y 2B3. The Buffalo Shares trade on the TSXV under the symbol "BUFF.P".

See "*Appendix "H" – Information Concerning Buffalo Capital Inc. Prior to the Amalgamation*".

Waverley Pharma Inc.

Waverley is a corporation incorporated under the CBCA. Waverley is dedicated to the development and commercialization of safe, effective and affordable oncology drugs. Waverley's original focus was on the discovery of novel small molecule drugs in oncology. Waverley's initial research project was initiated in 2014 and was the development of a novel poly (ADP-ribose) polymerase 1 ("**PARP-1**") inhibitor for cancer treatment. Inhibitors of PARP-1 are a newer class of anti-cancer agents of clinical importance in various types of cancer. A provisional patent for PARP-1 was filed in August 2016. Waverley has synthesized numerous small molecule compounds and had them tested for anti-cancer activity with the goal of developing a novel lead compound that can enter pre-clinical testing. In the third quarter of 2016, and in an effort to augment the product pipeline and vastly reduce the time to revenue and profitability, Waverley's focus shifted to the generic oncology injectable market in the European Union and North America.

Waverley's wholly-owned Barbados subsidiary, Waverley Pharma International Inc., has entered into the Waverley Term Sheet and anticipates entering into the Waverley License, Manufacture and Supply Agreement, pursuant to which it will acquire an exclusive license to market, sell and distribute WAV-101 and WAV-102 in the Territory and a non-exclusive license to market, sell and distribute WAV-101 and WAV-102 in the United Kingdom**.**

Waverley's head and registered office is at 4 – 1250 Waverley Street, Winnipeg, Manitoba R3T 6C6.

See "*Appendix "I" – Information Concerning Waverley Pharma Inc. Prior to the Amalgamation*".

The Amalgamation

The Amalgamation Agreement dated August 8, 2017, is made between Waverley and Buffalo and provides for the Amalgamation.

The purpose of the Amalgamation is to effect a non-arm's length business combination of Waverley and Buffalo. If the Buffalo Amalgamation Resolution is approved at the Buffalo Meeting and all other conditions precedent to the Amalgamation are satisfied or waived, the Amalgamation will be implemented whereby Waverley will amalgamate with Buffalo under the CBCA to form Waverley Pharma Inc.

As a result of the Amalgamation, Buffalo will effectively acquire Waverley through the issuance of 40,000,000 Resulting Issuer Shares at a deemed price of $0.50 per Resulting Issuer Share for aggregate deemed consideration of $20,000,000, exclusive of the Resulting Issuer Shares issuable pursuant to the Concurrent Financing.

Concurrent Financing

Concurrently with the transactions contemplated by the Amalgamation Agreement, and as a condition to completion of the Amalgamation, Buffalo plans to complete a brokered private placement of Buffalo Shares for aggregate gross proceeds of up to $5,000,000 via the issuance of up to 10,000,000 Buffalo Shares at a price of $0.50 per share, or such other amount and price as may be determined by the Corporation and approved by the Exchange.

The Concurrent Financing is expected to be led by PI Financial Corp. The Agent for the offering will be entitled to a cash commission of 7% of the gross proceeds of the Concurrent Financing. The Agent will also be entitled to receive up to 700,000 broker warrants (the "**Broker Warrants**"). Each Broker Warrant shall entitle the Agent to acquire one Buffalo Share at a price of $0.50 for a period of 24 months following the completion of the Amalgamation. The Agent will also receive a $12,500 corporate finance fee upon completion of the Amalgamation.

Proceeds of the Concurrent Financing are currently expected to be used to file applications in the European Union and North America for the approval of WAV-101 and WAV-102, and for general corporate purposes. For more details see "*Appendix "I" - Information Concerning Waverley Pharma Inc. Prior to the Amalgamation*" and "*Appendix "J" Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*".

Background to the Amalgamation

Between June and July 2017, Waverley and Buffalo entered into discussions concerning the basic terms and conditions upon which they could undertake a business combination. Subsequently, on August 8, 2017, Waverley and Buffalo executed the Amalgamation Agreement.

Effects of the Amalgamation

Pursuant to the Amalgamation, at the Effective Time, the following will be deemed to occur without any further act or formality:

- Waverley and Buffalo shall be amalgamated and continue as one corporation, Waverley Pharma Inc., on the terms set forth in the Amalgamation Agreement.

- The Buffalo Shares outstanding immediately prior to the Effective Time shall be cancelled, and former Buffalo Shareholders (other than Buffalo Dissenting Shareholders) shall receive one (1) fully paid and non-assessable Resulting Issuer Share for each one (1) Buffalo Share held immediately prior to the Amalgamation.

- The Waverley Shares outstanding immediately prior to the Effective Time shall be cancelled, and the former Waverley Shareholder shall receive 400,000 fully paid and non-assessable Resulting Issuer Shares for each one (1) Waverley Share held immediately prior to the Amalgamation.

- All of the property and assets of each of Waverley and Buffalo will become the property and assets of the Resulting Issuer which will be liable, by operation of law, for all of the liabilities and obligations of each of Waverley and Buffalo.

Following the Effective Time:

- The Resulting Issuer will carry on the business theretofore carried on by Waverley.

- The Resulting Issuer shall have a year end of December 31.

- The Resulting Issuer's by-laws will be the same as the by-laws of Buffalo.

- The first directors of the Resulting Issuer are expected to be Dr. Albert D. Friesen, P. Marcus Enns, Pieter J. de Visser and Hellen Siwanowicz and the first officers shall be Dr. George R. Thomas, President, Chief Executive Officer and Corporate Secretary and Pieter J. de Visser, Chief Financial Officer.

- Assuming the Concurrent Financing is fully subscribed, former Buffalo Shareholders will hold, in the aggregate, 3,000,000 Resulting Issuer Shares, representing 5.7% of the outstanding Resulting Issuer Shares.

- Assuming the Concurrent Financing is fully subscribed, the former Waverley Shareholder will hold 40,000,000 Resulting Issuer Shares, representing approximately 75.5% of the outstanding Resulting Issuer Shares.

Assuming there are no Buffalo Dissenting Shareholders and that the Concurrent Financing is fully subscribed, there will be approximately 53,000,000 Resulting Issuer Shares issued and outstanding on the Effective Date (and 57,200,000 Resulting Issuer Shares on a fully diluted basis). See "*Appendix J – Fully Diluted Share Capital*".

For more detailed information, see "*The Amalgamation*", "*The Amalgamation Agreement*", "*Appendix "J" – Information Concerning the Resulting Issuer*" and the full text of the Amalgamation Agreement attached to this Information Circular at Appendix "D".

The respective obligations of Buffalo and Waverley to complete the Amalgamation are subject to a number of conditions which must be satisfied or waived in order for the Amalgamation to become effective. See "*The Amalgamation Agreement*."

Reasons For and Advantages of the Amalgamation for Buffalo

In arriving at its conclusion to recommend the Amalgamation to Buffalo Shareholders, the Buffalo Board considered a number of financial, operational and other factors, including the financial metrics of the proposed transaction, Buffalo's status as a Capital Pool Company listed on the TSXV and the prospects for the operations of the Resulting Issuer after the completion of the Amalgamation. The Amalgamation Agreement does not prevent an unsolicited third party from proposing or making a Superior Proposal or, provided that Buffalo complies with the terms of the Amalgamation Agreement, preclude the Buffalo Board from considering and acting on a Superior Proposal.

The Buffalo Board and management believe that the Amalgamation provides a number of benefits including that:

- following the Amalgamation, the Resulting Issuer will have significantly greater financial and business resources which will enable it to more effectively undertake the development, production and marketing of oncology drugs and compete more effectively with competitors having greater resources than Buffalo alone;

- Buffalo Shareholders will gain exposure to WAV-101 and WAV-102;

- Buffalo Shareholders will receive a premium to Buffalo's current share price; and

- Buffalo Shareholders will have the opportunity to participate in a combined company that will have increased market capitalization resulting in increased liquidity for Buffalo Shareholders.

Recommendation of the Buffalo Board of Directors

The Buffalo Board has unanimously approved the Amalgamation Agreement (Albert D. Friesen abstaining) and (i) determined that the Amalgamation is in the best interests of Buffalo and the Buffalo Shareholders; (ii) approved the Amalgamation Agreement and the transactions contemplated thereby; and (iii) recommends approval of the Amalgamation by Buffalo Shareholders. See "*The Amalgamation – Recommendation of the Buffalo Board of Directors*".

Effect on Buffalo Options

Subject to all applicable regulatory approvals, including, but not limited to the approval of the TSXV, holders of Buffalo Options shall, following consummation of the Amalgamation, be entitled to receive, one (1) Resulting Issuer Option for each one (1) Buffalo Option held, which will be subject to the terms and conditions of the Buffalo Option Agreements and exercisable into one (1) Resulting Issuer Share upon the same terms and conditions as the Buffalo Options. See "*Effect of the Amalgamation – Effect on Buffalo Options*".

As of the date of this Information Circular, there are 300,000 Buffalo Options outstanding.

Effect on Buffalo Agent's Warrants

Subject to all applicable regulatory approvals, including, but not limited to the approval of the TSXV, holders of Buffalo Agent's Warrants shall, following consummation of the Amalgamation, be entitled to receive, one (1) Resulting Issuer Agent's Warrant for each one (1) Buffalo Agent's Warrant held, which will be exercisable into one (1) Resulting Issuer Share upon the same terms and conditions as the Buffalo Agent's Warrants. See "*Effect of the Amalgamation – Effect on Buffalo Agent's Warrants*".

As of the date of this Information Circular, there are an aggregate of 200,000 Buffalo Agent's Warrants outstanding.

Effect on Resulting Issuer Shares held by Principals and Non-Principals upon completion of the Amalgamation

Resulting Issuer Shares held by principals of the Resulting Issuer shall, upon the completion of the Amalgamation, be required to comply with the TSXV rules relating to escrow and, as a result, will be required to enter into the TSXV Escrow Agreement. See "*Appendix "J" - Information Concerning the Resulting Issuer - Escrowed Securities*".

Amalgamation Agreement

The Amalgamation will be effected pursuant to the Amalgamation Agreement. The Amalgamation Agreement contains covenants, representations and warranties of and from each of Buffalo and Waverley and various conditions precedent, both mutual and with respect to each of Buffalo and Waverley.

This Information Circular contains a summary of certain provisions of the Amalgamation Agreement and is qualified in its entirety by the full text of the Amalgamation Agreement, which is attached as Appendix "D" to this Information Circular. See "*The Amalgamation Agreement*".

Conditions to the Amalgamation

Pursuant to the terms of the Amalgamation Agreement, the completion of the Amalgamation is subject to the satisfaction of a number of conditions at or prior to the Effective Date (which conditions may be waived by one Party or both Parties), including, without limitation:

(a) the Buffalo Amalgamation Resolution approving the Amalgamation shall have been passed by Buffalo Shareholders on or before October 13, 2017, in form and substance satisfactory to each of Buffalo and Waverley, acting reasonably;

(b) the Waverley Amalgamation Resolution approving the Amalgamation shall have been passed by the Waverley Shareholder on or before October 13, 2017, in form and substance satisfactory to each of Buffalo and Waverley, acting reasonably;

(c) the Articles of Amalgamation filed with the Director shall be in form and substance satisfactory to each of Waverley and Buffalo, acting reasonably;

(d) the Amalgamation and the issuance of the Resulting Issuer Shares to the Buffalo Shareholders and the Waverley Shareholder shall have been conditionally approved by the TSXV as Buffalo's Qualifying Transaction on or before August 31, 2017 or such later date as may be agreed to by the Parties;

(e) the TSXV shall have conditionally approved the listing of the Resulting Issuer Shares;

(f) the Concurrent Financing shall have been completed;

(g) the Effective Date shall have occurred on or prior to October 13, 2017 or such other date as agreed to by the Parties in writing;

(h) there shall be no action taken under any existing applicable law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority or similar agency, that:

    (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Amalgamation or any other transactions contemplated in the Amalgamation Agreement; or

(ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated in the Amalgamation Agreement;

(i) Buffalo and Waverley shall have obtained all consents, approvals and authorizations (including, without limitation, all stock exchange, securities commission and other regulatory approvals) required or necessary in connection with the transactions contemplated in the Amalgamation Agreement on terms and conditions reasonably satisfactory to Buffalo and Waverley;

(j) the representations and warranties made by each of Waverley and Buffalo being true in all material respects as of the Effective Date and each of Waverley and Buffalo having complied with all the covenants in the Amalgamation Agreement;

(k) there being no Material Adverse Change in respect of either Waverley or Buffalo;

(l) holders of no more than 10% of the Buffalo Shares have exercised the Buffalo Dissent Rights;

(m) the Buffalo Board shall not have withdrawn, modified or changed any of its recommendations for the Amalgamation; and

(n) Waverley shall have acquired all rights in WAV-101 and WAV-102 to be acquired by it pursuant to the Waverley Term Sheet, as modified by the Waverley License, Manufacture and Supply Agreement.

In addition, the completion of the Amalgamation is subject to other conditions in favour of each of Waverley and Buffalo, respectively, which are set forth in detail in the Amalgamation Agreement attached hereto as Appendix "D", and such conditions may be waived, in whole or in part, by Waverley or Buffalo, as the case may be. See "*The Amalgamation Agreement*".

Non-Solicitation Covenant

Buffalo has agreed, subject to the terms of the Amalgamation Agreement that it shall not, directly or indirectly, through officers, directors, affiliates, representatives, advisors, agents, investment bankers, consultants or otherwise, take any action to solicit, initiate, encourage, or participate in any discussions or negotiations with any person, provide any non-public information to any person or otherwise assist or cause or facilitate anyone else to solicit, initiate, encourage, or participate in any discussions or negotiations with any person, or provide any non-public information to any person or otherwise assist with respect to: (A) any transaction that may constitute a Take-over Proposal; or (B) any other transaction, the consummation of which would, or could reasonably be expected to, impede, interfere with, prevent or delay the transactions contemplated by the Amalgamation Agreement or which would or could reasonably be expected to reduce the benefits to Waverley under the Amalgamation Agreement and will not waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive or otherwise forbear in respect of, any rights or other benefits of Buffalo under confidentiality agreements, including, without limitation, any standstill provisions thereunder; provided, however, that subject to the terms of the Amalgamation Agreement, the Buffalo Board may consider, negotiate, accept, approve or recommend to its shareholders, or enter into an agreement, understanding or arrangement in respect of, an unsolicited Superior Proposal. See "*The Amalgamation Agreement – Non-Solicitation by Buffalo*".

Termination of the Amalgamation Agreement

The Amalgamation Agreement may be terminated at any time prior to the Effective Time:

(a) by Waverley and Buffalo:

(i) by mutual written agreement of Buffalo and Waverley;

(ii) by either Buffalo or Waverley if any of the mutual conditions precedent set forth in the Amalgamation Agreement is not satisfied on the date specified therein, provided that a Party may not terminate the Amalgamation Agreement if the failure to satisfy a mutual condition in the Amalgamation Agreement has been caused by, or is a result of, a breach by a Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Amalgamation Agreement; or

(iii) by either Buffalo or Waverley if the Effective Time does not occur on or prior to October 13, 2017, provided that a Party may not terminate the Amalgamation Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Amalgamation Agreement; or

(b) by Buffalo if:

(i) any of the conditions precedent to the obligations of Buffalo set forth in the Amalgamation Agreement is not satisfied on the date specified therein;

(ii) a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of Waverley under the Amalgamation Agreement occurs and (i) such breach or failure to perform has not been cured within five (5) Business Days from the date the breach or failure to perform is first discovered, or (ii) if the breach or non-performance is incapable of being cured (and provided that Buffalo had no knowledge at the date of the Amalgamation Agreement of any breaches of covenants or inaccuracies of representations and warranties, and further provided that any intentional breach by Waverley shall be deemed to be incurable); or

(iii) prior to the approval of the Buffalo Amalgamation Resolution, the Buffalo Board authorizes Buffalo to enter into a written agreement with respect to a Superior Proposal, provided Buffalo is then in compliance with its covenants respecting non-solicitation and Superior Proposals contained in the Amalgamation Agreement; or

(c) by Waverley if:

(i) any of the conditions precedent to the obligations of Waverley set forth in the Amalgamation Agreement is not satisfied on the date specified therein; or

(ii) a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of Buffalo under the Amalgamation Agreement occurs and (i) such breach or failure to perform has not been cured within five (5) Business Days from the date the breach or failure to perform is first discovered, or (ii) if the breach or non-performance is incapable of being cured (and provided that Waverley had no knowledge at the date of the Amalgamation Agreement of any breaches of covenants or inaccuracies of representations and warranties, and further provided that any intentional breach by Buffalo shall be deemed to be incurable).

See "*The Amalgamation Agreement – Termination of the Amalgamation Agreement*".

Procedure for the Amalgamation to Become Effective

Procedural Steps

The Amalgamation will be carried out pursuant to Section 181 of the CBCA. The following procedural steps must be taken in order for the Amalgamation to become effective:

(a) the Amalgamation must be approved by each of the Buffalo Shareholders and the Waverley Shareholder;

(b) all conditions precedent to the Amalgamation, as set forth in the Amalgamation Agreement, must be satisfied or waived by the appropriate Party; and

(c) the Articles of Amalgamation in the form prescribed by the CBCA must be filed with the Director.

Shareholder Approval

The Buffalo Amalgamation Resolution requires approval by a majority of not less than $66^{2}/_{3}\%$ of the votes cast by Buffalo Shareholders present in person or by proxy at the Buffalo Meeting. In addition, the Buffalo Amalgamation Resolution requires Majority of the Minority Approval of the votes cast by Buffalo Shareholders either in person or by proxy at the Buffalo Meeting.

Notwithstanding the foregoing, the Buffalo Amalgamation Resolution authorizes the Buffalo Board, without further notice to or approval of the Buffalo Shareholders, to decide not to proceed with the Amalgamation at any time prior to the Effective Time. See Appendix “C” to this Information Circular for the full text of the Buffalo Amalgamation Resolution.

Regulatory and other Approvals

The Amalgamation Agreement provides that receipt of all regulatory, governmental and third party approvals and consents is a condition precedent to the Amalgamation becoming effective.

Stock Exchange Listings

Waverley is not a reporting issuer under the securities laws of any jurisdiction and none of its securities, including the Waverley Shares, are listed or posted for trading on any stock exchange. The currently outstanding Buffalo Shares are listed for trading on the TSXV under the symbol “BUFF.P”. On August 8, 2017, the last trading day prior to the date of the announcement of the Amalgamation, the closing price of the Buffalo Shares on the TSXV was $0.315. Prior to the announcement of the Amalgamation, the Buffalo Shares were halted from trading on the TSXV and remain halted as of the date hereof.

Buffalo has applied to the TSXV for approval of the listing of the Resulting Issuer Shares issuable pursuant to the Amalgamation and for approval of the Amalgamation and the issuance of the Resulting Issuer Shares to the Buffalo Shareholders (including Buffalo Shareholders who acquire their Buffalo Shares through Concurrent Financing) and the Waverley Shareholder as Buffalo’s Qualifying Transaction. The TSXV has conditionally accepted the foregoing subject to Buffalo fulfilling all of the requirements of the TSXV.

Non-Arm’s Length Transaction

The Amalgamation is a Non-Arm’s Length Transaction, as such term is defined under the applicable policies of the TSXV and is also a business combination under MI 61-101 because Dr. Albert D. Friesen, Chief Executive Officer, Corporate Secretary and a Director of Buffalo, holds 700,000 Buffalo Shares (representing 23.33% of the issued and outstanding Buffalo Shares) and also is the sole director and officer of, and is the majority shareholder and controls or exercises direction over, the Waverley Shareholder. Assuming completion of the Amalgamation, the Waverley Shareholder will hold 40,000,000 Resulting Issuer Shares and Dr. Albert D. Friesen will control, directly or indirectly, an aggregate of 40,700,000 Resulting Issuer Shares, representing approximately 76.79% of the issued and outstanding Resulting Issuer Shares upon completion of the Amalgamation and assuming the Concurrent Financing is fully subscribed.

TSXV Policy 2.4 requires that the Buffalo Amalgamation Resolution receive Majority of the Minority Approval from the Buffalo Shareholders. Accordingly, votes attaching to Buffalo Shares held by: (i) Non-Arm’s Length

Parties to the CPC; and (b) Non-Arm's Length Parties to the Qualifying Transaction (each as defined in TSXV Policy 2.4) must be excluded from the votes in respect of the Buffalo Amalgamation Resolution for Majority of the Minority Approval.

The Amalgamation is also a business combination pursuant to MI 61-101 and accordingly, the Buffalo Amalgamation Resolution must obtain minority approval of the Buffalo Shareholders under MI 61-101. Minority approval requires the approval of the majority of the votes cast by Buffalo Shareholders at the Meeting excluding votes attached to Buffalo Shares that are beneficially owned or over which control is exercised by an Interested Party or Related Party of an Interested Party (each as defined in MI 61-101).

The directors and officers of Buffalo currently hold an aggregate of 1,000,000 Buffalo Shares, representing approximately 33.33% of the issued and outstanding Buffalo Shares prior to the completion of the Amalgamation and the Concurrent Financing. To the knowledge of Buffalo, the 1,040,000 Buffalo Shares reflected in the table below are required to be excluded for purposes of obtaining Majority of the Minority Approval of the Buffalo Amalgamation Resolution under TSXV Policies. Achieving Majority of the Minority Approval will also satisfy Buffalo's requirement to obtain minority approval under MI 61-101.

Name of Shareholder	Number of Excluded Buffalo Shares
Dr. Albert D. Friesen	700,000(1)
Pieter J. de Visser	200,000(1)
P. Marcus Enns	100,000(1)
Dr. George R. Thomas	40,000(2)

Notes:
(1) These Buffalo Shares were founders shares acquired prior to Buffalo's initial public offering.
(2) These Buffalo Shares were acquired as part of Buffalo's initial public offering.

Pursuant to the provisions of Multilateral Instrument 61-101, there is no requirement for Buffalo to obtain a formal valuation.

Securities Law Matters

The Resulting Issuer Shares to be issued under the Amalgamation will be issued in reliance on exemptions from prospectus requirements of applicable Canadian securities laws. Subject to the TSXV rules relating to escrow set forth below, the Resulting Issuer Shares will generally be freely tradable (other than as a result of any control block restrictions which may arise by virtue of the ownership thereof) under applicable securities laws in Canada.

In general, the Resulting Issuer Shares may be resold in each of the provinces and territories of Canada, without significant restriction, provided the trade is not by a control person, no unusual effort is made to prepare the market or create a demand for those securities, no extraordinary commission or consideration is paid in respect of that sale and if the selling securityholder is an insider or officer, he or she has no reasonable grounds to believe that the Resulting Issuer is in default of securities legislation. See "*The Amalgamation*".

Selected Pro Forma Financial Information

The following information should be read in conjunction with: (a) the pro forma financial statements of the Resulting Issuer after giving effect to the Amalgamation, which are attached as Appendix "K" hereto; (b) the audited annual consolidated financial statements of Waverley for the financial years ended December 31, 2016, 2015 and 2014, the unaudited condensed interim consolidated financial statements of Waverley for the three month periods ended March 31, 2017 and 2016, and the MD&A filed in connection with such financial statements, which are attached as Schedules "A" and "B" respectively to Appendix "I" hereto; and (c) the audited condensed consolidated financial statements of Buffalo for the financial periods ended January 31, 2017 and December 31, 2016, the unaudited financial statements of Buffalo for the three month period ended March 31, 2017 and the MD&A in connection with such financial statements, which are available on SEDAR and are attached as Schedules "A" and "B", respectively to Appendix "H" hereto.

The following table sets out certain financial information for Waverley and Buffalo as at March 31, 2017, on a consolidated basis, and pro forma financial information for the Resulting Issuer after giving effect to the Amalgamation:

Balance Sheet Data	Waverley as at March 31, 2017 (CDN$)	Buffalo as at March 31, 2017 (CDN$)	Resulting Issuer Pro Forma as at March 31, 2017 (after giving effect to the Amalgamation)(1)(2) (CDN$)
Assets:			
Current Assets	100	133,077	4,674,257
Total Assets	100	133,077	4,674,257
Liabilities:			
Current Liabilities	11,854	44,265	412,890
Total Liabilities	11,854	44,265	412,890
Shareholder's Equity:			
Share Capital	100	100,000	5,640,500
(Deficit)	(11,854)	(11,188)	(2,090,433)
Total Equity	(11,754)	88,812	4,261,367
Total of Liabilities & Equity	100	133,077	4,674,257

Notes:

(1) Assuming the Concurrent Financing is fully subscribed, 13,000,000 Buffalo Shares and 100 Waverley Shares will be exchanged for Resulting Issuer Shares.

(2) The pro forma financial statements of the Resulting Issuer after giving effect to the Amalgamation assuming the Concurrent Financing is fully subscribed. See "*Appendix "K" – Pro Forma Financial Information*".

Available Funds

After giving effect to the Amalgamation and assuming the Concurrent Financing is fully subscribed, the Resulting Issuer will have approximately $4,261,367 of working capital available to it. The Resulting Issuer intends to use the funds available to it to achieve the objectives set out in "*Appendix "J" – Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*" once the Amalgamation has been completed.

Procedure for Exchange of Shares

The Buffalo Shares outstanding immediately prior to the Effective Time shall be cancelled, and former Buffalo Shareholders (other than Buffalo Dissenting Shareholders) shall, without taking any further action, receive one (1) fully paid and non-assessable Resulting Issuer Share for each one (1) Buffalo Share held immediately prior to the Amalgamation.

Buffalo Dissent Rights

A Buffalo Shareholder is entitled to dissent in respect of the Buffalo Amalgamation Resolution. **Strict compliance with Section 190 of the CBCA is required in order to exercise the right to dissent.** In the event the Buffalo Amalgamation Resolution becomes effective, each Buffalo Shareholder who properly dissents and becomes a Buffalo Dissenting Shareholder will be entitled to be paid the fair value of the Buffalo Shares in respect of which such holder dissents in accordance with Section 190 of the CBCA. A Buffalo Shareholder who votes for the Buffalo

Amalgamation Resolution shall not be entitled to dissent. A Buffalo Dissenting Shareholder may dissent only with respect to all of the Buffalo Shares held by such Buffalo Dissenting Shareholder.

Persons who are beneficial owners of Buffalo Shares registered in the name of a broker, dealer, bank, trust company or other nominee who wish to dissent should be aware that only the registered holder is entitled to dissent. Accordingly, a beneficial owner of Buffalo Shares desiring to exercise Dissent Rights must make arrangements for such beneficially owned Buffalo Shares to be registered in such holder's name prior to the time the written objection to the Buffalo Amalgamation Resolution is required to be received by Buffalo, or alternatively, make arrangements for the registered holder of such Buffalo Shares to dissent on such holder's behalf. See "*Dissent Rights*" and Appendix "G" to this Information Circular.

It is a condition to the Amalgamation that not greater than 10% of the outstanding Buffalo Shares held by Buffalo Shareholders shall have exercised Dissent Rights in respect of the Amalgamation.

Interests of Insiders

The directors and officers of Buffalo and their associates and affiliates, as a group, beneficially own, or control or direct, directly or indirectly, an aggregate of 1,000,000 Buffalo Shares and 300,000 Buffalo Options, representing approximately 33.33% of the outstanding Buffalo Shares and 60% of the outstanding Buffalo Options, respectively (and which together represent approximately 37.14% of the outstanding Buffalo Shares on a fully-diluted basis).

The sole director and officer of Waverley, beneficially owns, or controls or directs, directly or indirectly, a majority of the Waverley Shares.

Interests of Experts

Certain legal matters relating to the Amalgamation are to be passed upon by Pushor Mitchell LLP, on behalf of Buffalo. The partners and associates of Pushor Mitchell LLP do not beneficially own, directly or indirectly, any of the outstanding Buffalo Shares.

Certain legal matters relating to the Amalgamation are to be passed upon by EnerNext Counsel, on behalf of Waverley. The partners and associates of EnerNext Counsel do not beneficially own, directly or indirectly, any of the outstanding Waverley Shares.

There is no person or company who is named as having prepared or certified a statement, report or valuation in respect of Buffalo in this Information Circular and whose profession or business gives authority to the statement, report or valuation made by the person or company other than MNP LLP, Buffalo's auditor. MNP LLP has confirmed that it is independent with respect to Buffalo within the meaning of the rules of the Institute of Chartered Professional Accountants of Manitoba.

There is no person or company who is named as having prepared or certified a statement, report or valuation in respect of Waverley in this Information Circular, either directly or in a document incorporated by reference, and whose profession or business gives authority to the statement, report or valuation made by the person or company other than MNP LLP, Waverley's auditor. MNP LLP has confirmed that it is independent with respect to Waverley within the meaning of the rules of the Institute of Chartered Professional Accountants of Manitoba.

Sponsorship

Buffalo has applied to the TSXV for an exemption from the sponsorship requirement.

Conflicts of Interest

Certain directors and officers of Buffalo are, or may be, associated with other reporting issuers or other corporations which may give rise to conflicts of interest. In accordance with the CBCA, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with Buffalo are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors of each of Buffalo are required to act honestly and in good faith with a view to the best interests of Buffalo.

Dr. Albert D. Friesen, Chief Executive Officer, Corporate Secretary and a Director of Buffalo, has disclosed to the Buffalo Board that he indirectly beneficially owns, controls or exercises discretion over a majority of the issued and outstanding Waverley Shares. In his capacity as a director of Buffalo, Dr. Friesen has abstained from voting on the Amalgamation.

Summary of Certain Canadian Federal Income Tax Considerations for Canadian Residents

The following is a general summary of the principal Canadian federal income tax considerations under the Tax Act relating to the Amalgamation generally applicable to Buffalo Shareholders who, for the purposes of the Tax Act and at all relevant times are resident in Canada; deal at arm's length with Waverley and Buffalo; are not affiliated with Waverley or Buffalo; and hold all Buffalo Shares, and will hold all Resulting Issuer Shares acquired on the Amalgamation, as capital property.

For Canadian federal income tax purposes, a Holder who receives Resulting Issuer Shares in exchange for Buffalo Shares pursuant to the Amalgamation will be deemed to have disposed of such Buffalo Shares for proceeds of disposition equal to the Holder's adjusted cost base thereof immediately before the Amalgamation. As a result, such a Holder will not recognize a capital gain or capital loss in respect of the exchange. The Holder will also be deemed to have acquired the Resulting Issuer Shares received in exchange for such Buffalo Shares at a cost equal to the Holder's adjusted cost base of the Buffalo Shares immediately before the Amalgamation.

Generally, a Buffalo Shareholder who receives a payment in respect of the valid exercise of Dissent Rights will be deemed to have received a taxable dividend from Buffalo. A dissenting Buffalo Shareholder who receives interest awarded by the court will be required to include the full amount of such interest in such holder's income.

All Buffalo Shareholders should consult their own tax advisors for advice with respect to their own particular circumstances.

The Information Circular contains a summary of the principal Canadian federal income tax considerations applicable to Buffalo Shareholders in respect of the steps comprising the Amalgamation, and the above comments are qualified in their entirety by reference to such summary. For more information, see "*Certain Canadian Federal Income Tax Considerations*".

Other Tax Considerations

This Information Circular does not address any tax considerations of the Amalgamation other than certain Canadian federal income tax considerations. Buffalo Shareholders who are resident in jurisdictions other than Canada should consult their tax advisors with respect to the tax implications of the Amalgamation, including any associated filing requirements, in such jurisdictions and with respect to the tax implications in such jurisdictions of owning Resulting Issuer Shares after the Amalgamation. Buffalo Shareholders should also consult their own tax advisors regarding provincial, territorial or foreign income tax legislation or considerations of the Amalgamation or holding Resulting Issuer Shares.

Timing

If the Buffalo Amalgamation Resolution is approved as required and the other conditions precedent to the Amalgamation specified in the Amalgamation Agreement are satisfied or waived, Buffalo and Waverley expect that the Effective Date will be on or about October 10, 2017, but no later than October 13, 2017.

About Waverley, Buffalo and the Resulting Issuer

For information concerning Buffalo, please see "*Appendix "H" – Information Concerning Buffalo Capital Inc. Prior to the Amalgamation*".

For information concerning Waverley, please see "*Appendix "I" – Information Concerning Waverley Pharma Inc. Prior to the Amalgamation*".

For information concerning the Resulting Issuer, please see "*Appendix "J" – Information Concerning the Resulting Issuer*".

Risk Factors

An investment in Resulting Issuer Shares is subject to certain risks, which are generally associated with an investment in shares of a junior pharmaceutical company. **The following is a list of certain risk factors relating to the activities of Waverley and the ownership of Resulting Issuer Shares which Buffalo Shareholders should carefully consider:**

- the Resulting Issuer may not realize the anticipated benefits of the Amalgamation;
- failure to realize anticipated benefits of future transactions such as acquisitions and dispositions;
- general economic conditions in Canada, the United States, the European Union and globally;
- industry conditions, including price volatilities and other factors that may affect the marketability of generic oncology drugs;
- liabilities inherent in the pharmaceutical industry;
- governmental regulation of the pharmaceutical industry;
- stock market volatility and market valuations;
- the inability to acquire additional capital required to conduct planned activities;
- the loss of any member of the executive management team;
- no assurance of future earnings or positive cash flow;
- competition for, among other things, capital, acquisitions and skilled personnel;
- the inability to obtain required consents, permits or approvals to the Amalgamation, including Buffalo Shareholder or regulatory approvals; and
- the failure to complete the Concurrent Financing.

The risk factors listed above are an abbreviated list of risk factors summarized elsewhere in this Information Circular, which shall also be applicable to the Resulting Issuer following the Amalgamation. Buffalo Shareholders should carefully consider all such risk factors. See "*Risk Factors*"

Matters to be considered at the Buffalo Meeting

To the knowledge of the directors of Buffalo, the only matters to be brought before the Buffalo Meeting are those set forth in the accompanying Notice of Meeting.

Annual Business

Financial Statements

Pursuant to the CBCA, the directors of Buffalo will place before the Buffalo Shareholders at the Buffalo Meeting the audited financial statements of Buffalo for the periods ended December 31, 2016 and January 31, 2017, accompanying this Information Circular. Shareholder approval is not required in relation to the financial statements.

Election of Directors

The Buffalo Board currently consists of three (3) directors, Dr. Albert D. Friesen, Pieter J. de Visser and P. Marcus Enns. Management proposes to nominate for re-election each of the existing directors as well as one (1) additional director, Hellen Siwanowicz. All of the existing directors have been directors since Buffalo's incorporation on December 14, 2016 and have agreed to stand for re-election. A director's election is required to be passed by the affirmative vote of a majority of the votes cast at the Buffalo Meeting.

It is expected that each of Dr. Albert D. Friesen, Pieter J. de Visser, P. Marcus Enns and Hellen Siwanowicz will be directors of the Resulting Issuer upon completion of the Amalgamation.

Each director will hold office until his or her re-election or replacement at the next annual meeting of Buffalo Shareholders unless he or she vacates such office prior to that time.

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the election of the proposed nominees. If any of the proposed nominees is unable to serve as a director, the individuals named in the enclosed form of proxy reserve the right to nominate and vote for another nominee in their discretion.

Stock Option Plan

The TSXV requires that a 10% rolling stock option plan be submitted for approval by the shareholders at each annual general meeting of Buffalo Shareholders. Buffalo Shareholders will be asked to pass an ordinary resolution that approves Buffalo's existing stock option plan as the Resulting Issuer's Option Plan should the Amalgamation be approved and completed and ratifies Buffalo's existing stock option plan should the Amalgamation not be approved. A copy of the stock option plan is attached hereto as Appendix E.

The full text of the ordinary resolution approving the stock option plan is attached to this Information Circular in Appendix "B".

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the approval of the Buffalo Option Plan as the Resulting Issuer Option Plan should the Amalgamation be approved and completed and in FAVOUR the ratification of the Buffalo Option Plan should the Amalgamation not be approved.

Appointment of Auditors

Buffalo's current auditor, MNP LLP, has been the company's auditor since December 19, 2016.

If the Amalgamation is approved and completed, management of Buffalo is proposing to appoint MNP LLP as auditors of the Resulting Issuer for the current fiscal year. If the Amalgamation is not approved or completed, management of Buffalo is proposing to re-appoint MNP LLP as auditors of Buffalo for the current fiscal year.

Accordingly, Buffalo Shareholders will be asked at the Buffalo Meeting to pass an ordinary resolution, the full text of which is attached to this Information Circular in Appendix "B".

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the approval of MNP LLP as the Resulting Issuer's auditors should the Amalgamation be approved and completed and FOR the re-appointment of MNP LLP as Buffalo's auditors should the Amalgamation not be approved.

Special Business

Amalgamation

At the Buffalo Meeting, Buffalo Shareholders will be asked to consider the Buffalo Amalgamation Resolution in substantially the form set forth in Appendix "C" of this Information Circular. Buffalo Shareholders are urged to review the various sections of this Information Circular when considering the Buffalo Amalgamation Resolution.

The Buffalo Amalgamation Resolution requires approval by a majority of not less than $66^{2}/_{3}\%$ of the votes cast by Buffalo Shareholders present in person or by proxy at the Buffalo Meeting. The Buffalo Amalgamation Resolution must also receive Majority of the Minority Approval and minority approval of votes cast by Buffalo Shareholders either in person or by proxy at the Buffalo Meeting.

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the Buffalo Amalgamation Resolution unless a Buffalo Shareholder has specified in its proxy that its Buffalo Shares are to be voted against the Buffalo Amalgamation Resolution.

THE AMALGAMATION

Background to the Amalgamation

The terms of the Amalgamation are the result of non-arm's length negotiations between representatives of Buffalo and Waverley. The following is a summary of the events leading up to the negotiation of the Amalgamation Agreement and the meetings, negotiations, discussions and actions that preceded the execution and public announcement of the Amalgamation Agreement.

Buffalo is a Capital Pool Company whose principal business is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction.

In May 2017, management of Buffalo approached representatives of Waverley to determine if Waverley would be interested in pursuing discussions regarding a potential business combination, with the intent that such a business combination would qualify as Buffalo's Qualifying Transaction. The Parties agreed to explore the parameters and conduct an analysis as to the basis in which a transaction might proceed. Representatives of each of Buffalo and Waverley began preliminary discussions on the prospect of a possible strategic business combination.

Following this, a series of meetings occurred and financial and technical information was shared between the Parties and the Parties discussed the terms of a business combination and provided each other with additional confidential information regarding their respective businesses, operations and assets, as applicable, and commenced formal due diligence.

On August 8, 2017, the Buffalo Board reviewed the terms of the Amalgamation Agreement and fully considered its duties and responsibilities to Buffalo Shareholders including the financial aspects of the transaction. At the meeting, the Buffalo Board unanimously resolved (Dr. Albert D. Friesen abstaining) that the Amalgamation was in the best interests of Buffalo and Buffalo Shareholders, approved the entering into of the Amalgamation Agreement subject to certain issues being attended to and resolved to recommend to Buffalo Shareholders that they vote in favour of the Amalgamation.

On August 9, 2017, the Buffalo Shares were voluntarily halted from trading on the TSXV as Buffalo anticipated disseminating a press release concerning the Amalgamation. On August 9, 2017, Buffalo announced the signing of the Amalgamation Agreement.

Recommendation of the Buffalo Board of Directors

The Buffalo Board believes that the Amalgamation is in the best interests of Buffalo and the Buffalo Shareholders and has authorized the submission of the Amalgamation Agreement and the Amalgamation to the Buffalo Shareholders for approval. The Buffalo Board unanimously recommends (Dr. Albert D. Friesen abstaining) that the Buffalo Shareholders vote in favour of the Buffalo Amalgamation Resolution. In coming to its conclusion and recommendations the Buffalo Board considered, among others, the following factors:

- the purpose and benefits of the Amalgamation as outlined elsewhere in this Information Circular;
- information concerning the financial condition, business plans and prospects of the Resulting Issuer following the Amalgamation, and the potential for the enhancement of the business efficiency, management effectiveness and financial results of the combined entity;
- the alternatives available to Buffalo; and
- the current business environment, particularly as it pertains to Capital Pool Companies and their access to capital.

The foregoing discussion of the information and factors considered and given weight by the Buffalo Board is not intended to be exhaustive. In addition, in reaching the determination to approve and recommend the Amalgamation

Agreement, the Buffalo Board did not assign any relative or specific weights to the foregoing factors which were considered, and individual directors may have given differing weights to different factors.

The Buffalo Board realizes that there are risks associated with the Amalgamation, including that some of the potential benefits set forth above may not be realized or that there may be significant costs associated with realizing such benefits. The Buffalo Board believes that the factors in favour of the Amalgamation outweigh the risks and potential disadvantages, although there can be no assurance in this regard.

EFFECT OF THE AMALGAMATION

General

Pursuant to the Amalgamation, at the Effective Time, the following will be deemed to occur without any further act or formality:

- Waverley and Buffalo shall be amalgamated and continue as one corporation, Waverley Pharma Inc., on the terms set forth in the Amalgamation Agreement.

- All of the property and assets of each of Waverley and Buffalo will become the property and assets of the Resulting Issuer which will be liable, by operation of law, for all of the liabilities and obligations of each of Waverley and Buffalo.

Following the Effective Time:

- The Resulting Issuer will carry on the business theretofore carried on by Waverley;

- The Resulting Issuer shall have a year end of December 31;

- The Resulting Issuer's by-laws will be the same as the by-laws of Buffalo; and

- The first directors of the Resulting Issuer shall be Dr. Albert D. Friesen, P. Marcus Enns, Pieter J. de Visser and Hellen Siwanowicz and the first officers shall be Dr. George R. Thomas, President, Chief Executive Officer and Corporate Secretary and Pieter J. de Visser, Chief Financial Officer.

Waverley Shares and Buffalo Shares

The Amalgamation will result in the Waverley Shareholder receiving 400,000 Resulting Issuer Shares for each Waverley Share held immediately prior to the Amalgamation. The Waverley Shareholder will receive an aggregate of 40,000,000 Resulting Issuer Shares valued at $0.50 per Resulting Issuer Share for total deemed consideration of $20,000,000.

Pursuant to the Amalgamation, Buffalo Shareholders (excluding Buffalo Dissenting Shareholders and assuming the Concurrent Financing is fully subscribed) will receive one (1) Resulting Issuer Share for each Buffalo Share held. In aggregate, Buffalo Shareholders will receive 13,000,000 Resulting Issuer Shares valued at $0.50 per Resulting Issuer Share for total deemed consideration of approximately $6,500,000.

Assuming that the Waverley Shareholder and all Buffalo Shareholders receive Resulting Issuer Shares and also assuming the Concurrent Financing is fully subscribed, (i) the former Waverley Shareholder will hold 40,000,000 Resulting Issuer Shares immediately following completion of the Amalgamation, representing approximately 75.5% of the then issued and outstanding Resulting Issuer Shares; and (ii) former Buffalo Shareholders will hold 13,000,000 Resulting Issuer Shares immediately following completion of the Amalgamation, representing approximately 24.5% of the then issued and outstanding Resulting Issuer Shares.

Effect on Buffalo Options

Subject to all applicable regulatory approvals, including, but not limited to the approval of the TSXV, holders of Buffalo Options shall, following consummation of the Amalgamation, be entitled to receive, one (1) Resulting Issuer Option for each one (1) Buffalo Option held, which will be subject to the terms and conditions of the Buffalo Option Agreements and exercisable into one (1) Resulting Issuer Share upon the same terms and conditions as the Buffalo Options. As of the date of this Information Circular, there are an aggregate of 300,000 Buffalo Options outstanding. See "*Appendix J - Information Concerning the Resulting Issuer - Fully Diluted Share Capital*".

Effect on Buffalo Agent's Warrants

Subject to all applicable regulatory approvals, including, but not limited to the approval of the TSXV, holders of Buffalo Agent's Warrants shall, following consummation of the Amalgamation, be entitled to receive, one (1) Resulting Issuer Agent's Warrant for each one (1) Buffalo Agent's Warrant held, which will be exercisable into one (1) Resulting Issuer Share upon the same terms and conditions as the Buffalo Agent's Warrants. As of the date of this Information Circular, there are an aggregate of 200,000 Buffalo Agent's Warrants outstanding. See "*Appendix J - Information Concerning the Resulting Issuer - Fully Diluted Share Capital*".

Effect on Resulting Issuer Shares held by Principals and Non-Principals upon Completion of the Amalgamation

Resulting Issuer Shares held by principals of the Resulting Issuer shall, upon the completion of the Amalgamation, be required to comply with the TSXV rules relating to escrow and, as a result, will be required to enter into a TSXV Escrow Agreement. See "*Appendix J - Information Concerning the Resulting Issuer - Escrowed Securities*".

Details of the Amalgamation

The following is a summary only and reference should be made to the full text of the Amalgamation Agreement set forth in Appendix "D" to this Information Circular.

Pursuant to the Amalgamation, Buffalo and Waverley shall be amalgamated and continue as one corporation and at the Effective Time: (i) each issued and outstanding Buffalo Share (other than Buffalo Shares held by Buffalo Dissenting Shareholders) shall be converted into one (1) Resulting Issuer Share; and (ii) each issued and outstanding Waverley Share shall be converted into 400,000 Resulting Issuer Shares.

THE AMALGAMATION AGREEMENT

General

The Amalgamation will be effected pursuant to the Amalgamation Agreement, which contains covenants, representations and warranties of and from each of Buffalo and Waverley, as well as various conditions precedent, both mutual and with respect to Buffalo and Waverley. Unless all of such conditions are satisfied or waived by the Party for whose benefit such conditions exist, to the extent they may be capable of waiver, the Amalgamation will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all.

The following is a summary of certain provisions of the Amalgamation Agreement and is qualified in its entirety by the full text of the Amalgamation Agreement, set forth in Appendix "D" to this Information Circular.

Except for the Amalgamation Agreement's status as a contractual document that establishes and governs the legal relations among the Parties, the text of the Amalgamation Agreement is not intended to be, and should not be interpreted as, a source of factual, business or operational information about Waverley or Buffalo. The Amalgamation Agreement contains representations, warranties and covenants that are qualified and limited, including by information disclosed to Waverley and Buffalo, respectively, in connection with the execution of the Amalgamation Agreement and certain information disclosed in public filings with Canadian securities regulatory authorities. Representations and warranties may be used as a tool to allocate risks between the Parties to the

Amalgamation Agreement, including where the Parties do not have complete knowledge of all facts, instead of establishing such matters as facts. Furthermore, the representations and warranties may be subject to different standards of materiality applicable to the contracting Parties, which may differ from what may be viewed as material to investors. These representations may or may not have been accurate as of any specific date and do not purport to be accurate as of the date of this Information Circular. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the Amalgamation Agreement. Shareholders may not directly enforce or rely upon the terms and conditions of the Arrangement Agreement and should not rely on the representations, warranties or covenants contained therein as characterizations of the actual state of facts or condition of Waverley, Buffalo or any of their respective affiliates.

Mutual Conditions Precedent

The Amalgamation Agreement provides that the obligations of the Parties to complete the Amalgamation are subject to the satisfaction or mutual waiver by Waverley and Buffalo, on or before the Effective Date, of certain conditions precedent, including:

- the Buffalo Amalgamation Resolution approving the Amalgamation shall have been passed by Buffalo Shareholders on or before October 13, 2017, in form and substance satisfactory to each of Buffalo and Waverley, acting reasonably;
- the Waverley Amalgamation Resolution approving the Amalgamation shall have been passed by the Waverley Shareholder on or before October 13, 2017, in form and substance satisfactory to each of Buffalo and Waverley, acting reasonably;
- the Articles of Amalgamation filed with the Director shall be in form and substance satisfactory to each of Waverley and Buffalo, acting reasonably;
- the Amalgamation and the issuance of the Resulting Issuer Shares to the Buffalo Shareholders and Waverley Shareholders shall have been conditionally approved by the TSXV as Buffalo's Qualifying Transaction on or before August 31, 2017 or such later date as may be agreed to by the Parties;
- the TSXV shall have conditionally approved the listing of the Resulting Issuer Shares;
- the Concurrent Financing shall have been completed;
- the Effective Date shall have occurred on or prior to October 13, 2017 or such other date as agreed to by the Parties in writing;
- there shall be no action taken under any existing applicable law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority or similar agency, that:
    - makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Amalgamation or any other transactions contemplated in the Amalgamation Agreement; or
    - results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated in the Amalgamation Agreement; and
- Buffalo and Waverley shall have obtained all consents, approvals and authorizations (including, without limitation, all stock exchange, securities commission and other regulatory approvals) required or necessary in connection with the transactions contemplated herein on terms and conditions reasonably satisfactory to Buffalo and Waverley;

- Waverley shall have acquired all rights in WAV-101 and WAV-102 to be acquired by it pursuant to the Waverley Term Sheet, as may be modified by the Waverley License, Manufacture and Supply Agreement; and

- such escrow agreements as may be required by the TSXV pursuant to the Amalgamation shall have been entered into.

The foregoing conditions are for the mutual benefit of Buffalo and Waverley and may be waived, in whole or in part, by Buffalo and Waverley together, at any time. If any of the said conditions precedent shall not be complied with or waived as aforesaid on or before the date required for the performance thereof, either of Buffalo and Waverley may, in addition to the other remedies it may have at law or in equity, terminate the Amalgamation Agreement in accordance with the terms thereof.

Conditions to the Obligations of Waverley

The obligation of Waverley to complete the Amalgamation is subject to the fulfilment of certain conditions precedent set forth below on or before the Effective Date or such other time as is specified below:

- the representations and warranties made by Buffalo in Section 4.1 of the Amalgamation Agreement shall be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which shall be true as of that date), and Buffalo shall have provided to Waverley a certificate of one officer of Buffalo certifying as to such matters on the Effective Date and Waverley shall have no actual knowledge to the contrary;

- Buffalo shall have complied in all material respects with its covenants in the Amalgamation Agreement and Buffalo shall have provided to Waverley a certificate of one officer of Buffalo certifying as to such compliance as of the Effective Date and Waverley shall have no actual knowledge to the contrary;

- before giving effect to the transactions contemplated by the Amalgamation Agreement, there shall have been no Material Adverse Change in respect of Buffalo since the date hereof;

- Buffalo shall have furnished Waverley with:

  - certified copies of the resolutions duly passed by the board of directors of Buffalo approving the Amalgamation Agreement and the consummation of the transactions contemplated thereby and directing the submission of the Amalgamation for approval by Buffalo Shareholders and recommending that Buffalo Shareholders vote in favour of the Amalgamation; and

  - certified copies of the Buffalo Amalgamation Resolution, duly passed by: (i) not less than $66^2/_3$% of the votes cast by a quorum of Buffalo Shareholders at the Buffalo Meeting; and (ii) a “majority of the minority” of votes cast by a quorum of Buffalo Shareholders at the Buffalo Meeting;

- the board of directors of Buffalo shall not have withdrawn, modified or changed any of its recommendations, approvals, resolutions or determinations referred to in Section 2.12 of the Amalgamation Agreement; and

- holders of not greater than 10% of the outstanding Buffalo Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

The foregoing conditions precedent are for the benefit of Waverley and may be waived, in whole or in part, by Waverley in writing at any time. If any of the said conditions precedent shall not be complied with or waived by Waverley on or before the date required for the performance thereof, Waverley may, in addition to the other remedies it may have at law or equity, rescind and terminate the Amalgamation Agreement by written notice from Waverley to Buffalo pursuant to the terms thereof.

Conditions to the Obligations of Buffalo

The obligation of Buffalo to complete the Amalgamation is subject to the fulfilment of certain conditions precedent set forth below on or before the Effective Date or such other time as is specified below:

- the representations and warranties made by Waverley in Section 4.2 of the Amalgamation Agreement shall be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which shall be true as of that date) and Waverley shall have provided to Buffalo a certificate of one officer of Waverley certifying as to such matters on the Effective Date and Buffalo shall have no knowledge to the contrary;

- Waverley shall have complied in all material respects with its covenants in the Amalgamation Agreement and Waverley shall have provided to Buffalo a certificate of one officer certifying as to such compliance as of the Effective Date and Buffalo shall have no actual knowledge to the contrary;

- before giving effect to the transactions contemplated by the Amalgamation Agreement, there shall have been no Material Adverse Change in respect of Waverley since the date hereof;

- Waverley shall have furnished Buffalo with:

    - a certified copy of the resolutions duly passed by the sole director of Waverley approving the Amalgamation Agreement and the consummation of the transactions contemplated hereby; and

    - a certified copy of the Waverley Amalgamation Resolution, duly passed by the Waverley Shareholder;

- there shall be no more than 100 Waverley Shares issued and outstanding;

- Waverley shall have no convertible securities issued or outstanding; and

- the sole director of Waverley shall not have withdrawn, modified or changed any of its recommendations, approvals, resolutions or determinations referred to in Section 2.13 of the Amalgamation Agreement.

The foregoing conditions precedent are for the benefit of Buffalo and may be waived, in whole or in part, by Buffalo in writing at any time. If any of the said conditions precedent shall not be complied with or waived by Buffalo on or before the date required for the performance thereof, Buffalo may, in addition to the other remedies it may have at law or equity, terminate the Amalgamation Agreement in accordance with the terms thereof.

Non-Solicitation by Buffalo

Buffalo has agreed, subject to the terms of the Amalgamation Agreement that it shall not, directly or indirectly, through officers, directors, affiliates, representatives, advisors, agents, investment bankers, consultants or otherwise, take any action to solicit, initiate, encourage, or participate in any discussions or negotiations with any person, provide any non-public information to any person or otherwise assist or cause or facilitate anyone else to solicit, initiate, encourage, or participate in any discussions or negotiations with any person, or provide any non-public information to any person or otherwise assist with respect to: (A) any transaction that may constitute a Take-over Proposal; or (B) any other transaction, the consummation of which would, or could reasonably be expected to, impede, interfere with, prevent or delay the transactions contemplated by the Amalgamation Agreement or which would or could reasonably be expected to reduce the benefits to Waverley under the Amalgamation Agreement and will not waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive or otherwise forbear in respect of, any rights or other benefits of Buffalo under confidentiality agreements, including, without limitation, any standstill provisions thereunder; provided, however, that subject to the terms of the Amalgamation Agreement, the Buffalo Board may consider, negotiate, accept, approve or recommend to its shareholders, or enter into an agreement, understanding or arrangement in respect of, an unsolicited Superior Proposal.

Prior to considering, negotiating, accepting, approving or recommending to the Buffalo Shareholders or entering into an agreement, understanding or arrangement in respect of, an unsolicited Superior Proposal, Buffalo shall:

- advise Waverley in writing of the existence and terms of any such offer or proposal and provide copies thereof as soon as reasonably possible following receipt thereof by Buffalo;

- provide copies of any information provided to such other party, which has not already been made available to Waverley; and

- if requested by Waverley, prior to accepting, recommending, approving or entering into any agreement to implement the Buffalo Superior Proposal, to negotiate in good faith with Waverley and its legal and financial advisors for a period of up to three (3) Business Days in a manner to permit Waverley to make such adjustments in the terms and conditions of the Amalgamation Agreement as may be necessary or advisable in order to enable Buffalo to proceed with the Amalgamation as amended rather than the Superior Proposal. In the event that Waverley proposes to amend the Amalgamation Agreement to provide substantially equivalent or superior value to that provided under the Superior Proposal, Buffalo shall not accept, recommend, approve or enter into any agreement to implement the Buffalo Superior Proposal.

Subject to the terms of the Amalgamation Agreement, if prior to the completion of the Amalgamation, a bona fide Take-Over Proposal is proposed, offered or made to the Buffalo Shareholders or to Buffalo which, in the bona fide opinion of the Buffalo Board would result in a financially superior transaction, directly or indirectly, for the Buffalo Shareholders than that contemplated by the Amalgamation (any such Take-Over Proposal being referred to herein as a "**Superior Proposal**"), the board of directors of Buffalo may withdraw, modify or change its approval of the Amalgamation if, in the opinion of such Buffalo Board, acting reasonably and upon the written advice of its legal counsel, such withdrawal, modification or change is required or would be consistent with the fiduciary duties of the Buffalo Board under Applicable Laws.

For the complete text of the applicable provisions, see Sections 5.2, 5.3 and 5.4 of the Amalgamation Agreement which is attached as Appendix "D" to this Information Circular.

Representations and Warranties

The Amalgamation Agreement contains certain representations and warranties of Waverley, including, without limitation, representations relating to the following: organization; standing and corporate power; authority relative to the Arrangement Agreement; subsidiaries; capitalization; compliance with Applicable Laws; actions or suits; minute books; financial statements; absence of certain changes since December 31, 2016; conduct of its business; related party matters; and Tax Act matters. For the complete text of the applicable provisions see Section 4.2 of the Amalgamation Agreement which is attached as Appendix "D" to this Information Circular.

The Arrangement Agreement contains certain representations and warranties of Buffalo, including, without limitation, representations relating to the following: organization, standing and corporate power; subsidiaries; authority relative to the Amalgamation; reporting status; compliance with obligations as a reporting issuer and policies of the TSXV; capitalization; financial statements; minute books; the Buffalo Public Documents; agreements and the absence of certain changes since Buffalo's incorporation. For the complete text of the applicable provisions see Section 4.1 of the Amalgamation Agreement which is attached as Appendix "D" to this Information Circular.

Termination of Amalgamation Agreement

The Amalgamation Agreement may be terminated at any time prior to the Effective Time:

(a) by Waverley and Buffalo:

(i) by mutual written agreement of Buffalo and Waverley;

(ii) by either Buffalo or Waverley if any of the mutual conditions precedent set forth in the Amalgamation Agreement is not satisfied on the date specified therein, provided that a Party may not terminate the Amalgamation Agreement if the failure to satisfy a mutual condition in the Amalgamation Agreement has been caused by, or is a result of, a breach by a Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Amalgamation Agreement; or

(iii) by either Buffalo or Waverley if the Effective Time does not occur on or prior to October 13, 2017, provided that a Party may not terminate the Amalgamation Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Amalgamation Agreement; or

(b) by Buffalo if:

(i) any of the conditions precedent to the obligations of Buffalo set forth in the Amalgamation Agreement is not satisfied on the date specified therein;

(ii) a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of Waverley under the Amalgamation Agreement occurs and (i) such breach or failure to perform has not been cured within five (5) Business Days from the date the breach or failure to perform is first discovered, or (ii) if the breach or non-performance is incapable of being cured (and provided that Buffalo had no knowledge at the date of the Amalgamation Agreement of any breaches of covenants or inaccuracies of representations and warranties, and further provided that any intentional breach by Waverley shall be deemed to be incurable); or

(iii) prior to the approval of the Buffalo Amalgamation Resolution, the Buffalo Board authorizes Buffalo to enter into a written agreement with respect to a Superior Proposal, provided Buffalo is then in compliance with its covenants respecting non-solicitation and Superior Proposal contained in the Amalgamation Agreement; or

(c) by Waverley if:

(i) any of the conditions precedent to the obligations of Waverley set forth in the Amalgamation Agreement is not satisfied on the date specified therein; or

(ii) a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of Buffalo under the Amalgamation Agreement occurs and (i) such breach or failure to perform has not been cured within five (5) Business Days from the date the breach or failure to perform is first discovered, or (ii) if the breach or non-performance is incapable of being cured (and provided that Waverley had no knowledge at the date of the Amalgamation Agreement of any breaches of covenants or inaccuracies of representations and warranties, and further provided that any intentional breach by Buffalo shall be deemed to be incurable).

For the complete text of the applicable provisions, see Article 7 of the Amalgamation Agreement which is attached as Appendix "D" to this Information Circular.

Concurrent Financing

Concurrently with the transactions contemplated by the Amalgamation Agreement and as a condition to completion of the Amalgamation, Buffalo plans to complete a private placement of Buffalo Shares for aggregate gross proceeds of up to $5,000,000 via the issuance of up to 10,000,000 Buffalo Shares at a price of $0.50 per share, or such other amount and price as may be determined by the Corporation and approved by the TSXV.

The Concurrent Financing is expected be led by PI Financial Corp. The agent(s) for the offering will be entitled to a cash commission of 7% of the gross proceeds of the Concurrent Financing. The agent(s) will also be entitled to receive up to 700,000 Broker Warrants. Each Broker Warrant shall entitle the Agent to acquire one Buffalo Share at a price of $0.50 for a period of 24 months following the completion of the Amalgamation. The Agent will also receive a $12,500 corporate finance fee upon completion of the Amalgamation.

Proceeds of the Concurrent Financing are currently expected to be used to pay for the license, royalty and transfer price fees related to the Waverley License, Manufacture and Supply Agreement, to file applications in the Territory for the approval of Waverley's generic oncology products, WAV-101 and WAV-102, and for general corporate purposes. See "*Appendix "J" - Information Concerning the Resulting Issuer - Available Funds and Principal Purposes*" for further information regarding the Resulting Issuer's proposed use of funds.

PROCEDURE FOR THE AMALGAMATION TO BECOME EFFECTIVE

Procedural Steps

The Amalgamation will be carried out pursuant to Section 181 of the CBCA. The following procedural steps must be taken in order for the Amalgamation to become effective:

(a) the Amalgamation must be approved by the Buffalo Shareholders and the Waverley Shareholder;

(b) all conditions precedent to the Amalgamation, as set forth in the Amalgamation Agreement, must be satisfied or waived by the appropriate Party; and

(c) the Articles of Amalgamation in the form prescribed by the CBCA must be filed with the Director.

There is no assurance that the conditions set out in the Amalgamation Agreement will be satisfied or waived on a timely basis.

Upon the conditions precedent set forth in the Amalgamation Agreement being fulfilled or waived, Buffalo intends to file a copy of the Articles of Amalgamation with the Director under the CBCA, together with such other materials as may be required by the Director, in order to give effect to the Amalgamation.

Notwithstanding the foregoing, the Buffalo Amalgamation Resolution proposed for consideration by the Buffalo Shareholders authorizes the Buffalo Board, without further notice to or approval of such Buffalo Shareholders, subject to the terms of the Amalgamation Agreement, to amend the Amalgamation Agreement, to decide not to proceed with the Amalgamation and to revoke the Buffalo Amalgamation Resolution at any time prior to the Amalgamation becoming effective pursuant to the provisions of the CBCA. The Buffalo Amalgamation Resolution is attached as Appendix "C" to this Information Circular.

Shareholder Approvals

The Buffalo Amalgamation Resolution requires approval by a majority of not less than $66^2/_3$% of the votes cast by Buffalo Shareholders present in person or by proxy at the Buffalo Meeting. The Buffalo Amalgamation Resolution must also receive Majority of the Minority Approval of votes cast by Buffalo Shareholders either in person or by proxy at the Buffalo Meeting.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Buffalo Amalgamation Resolution set forth in Appendix "C" to this Information Circular.

Regulatory Approvals and Stock Exchange Listings

The Amalgamation Agreement provides that receipt of all regulatory, governmental and third party approvals and consents including, without limitation, receipt of conditional approval of the TSXV for (i) listing of the Resulting

Issuer Shares issuable pursuant to the Amalgamation; and (ii) the Amalgamation qualifying as Buffalo's Qualifying Transaction, is a condition precedent to the Amalgamation becoming effective.

Waverley is not a reporting issuer under the securities laws of any jurisdiction and none of its securities, including the Waverley Shares, are listed or posted for trading on any stock exchange. The currently outstanding Buffalo Shares are listed for trading on the TSXV under the symbol "BUFF.P". On August 8, 2017, the last trading day prior to the date of the announcement of the Amalgamation, the closing price of the Buffalo Shares on the TSXV was $0.315. Prior to the announcement of the Amalgamation, the Buffalo Shares were voluntarily halted from trading on the TSXV and remain halted as of the date hereof. For information with respect to the trading history of the Buffalo Shares, see "*Appendix "H" – Information Concerning Buffalo Capital Inc. Prior to the Amalgamation*" to this Information Circular.

Buffalo has applied to the TSXV for approval to list the Resulting Issuer Shares issuable pursuant to the Amalgamation and that the Amalgamation be accepted as Buffalo's Qualifying Transaction. The TSXV has conditionally accepted the Amalgamation subject to Buffalo fulfilling all of the requirements of the TSXV.

Securities Law Matters

Resulting Issuer Shares to be issued under the Amalgamation will be issued in reliance on exemptions from prospectus requirements of applicable Canadian securities laws. Subject to the TSXV rules relating to escrow set forth below, the Resulting Issuer Shares to be issued pursuant to the Amalgamation will generally be "freely tradeable" (other than as a result of any "control block" restrictions which may arise by virtue of the ownership thereof) under applicable securities laws of the provinces of Canada.

The Amalgamation is a Non-Arm's Length Transaction, as such term is defined under the applicable policies of the TSXV and is also a business combination under MI 61-101 because Dr. Albert D. Friesen, Chief Executive Officer, Corporate Secretary and a Director of Buffalo, holds 700,000 Buffalo Shares (representing 23.33% of the issued and outstanding Buffalo Shares) and also is the sole director and officer of, and is the majority shareholder and controls or exercises direction over, the Waverley Shareholder. Assuming completion of the Amalgamation, the Waverley Shareholder will hold 40,000,000 Resulting Issuer Shares and Dr. Albert D. Friesen will control, directly or indirectly, an aggregate of 40,700,000 Resulting Issuer Shares, representing approximately 76.79% of the issued and outstanding Resulting Issuer Shares upon completion of the Amalgamation and assuming the Concurrent Financing is fully subscribed.

TSXV Policy 2.4 requires that the Buffalo Amalgamation Resolution receive Majority of the Minority Approval from the Buffalo Shareholders. Accordingly, votes attaching to Buffalo Shares held by: (i) Non-Arm's Length Parties to the CPC; and (b) Non-Arm's Length Parties to the Qualifying Transaction (each as defined in TSXV Policy 2.4) must be excluded from the votes in respect of the Buffalo Amalgamation Resolution for Majority of the Minority Approval.

The Amalgamation is also a business combination pursuant to MI 61-101 and accordingly, the Buffalo Amalgamation Resolution must obtain minority approval of the Buffalo Shareholders under MI 61-101. Minority approval requires the approval of the majority of the votes cast by Buffalo Shareholders at the Meeting excluding votes attached to Buffalo Shares that are beneficially owned or over which control is exercised by an Interested Party or Related Party of an Interested Party (each as defined in MI 61-101).

The directors and officers of Buffalo currently hold an aggregate of 1,000,000 Buffalo Shares, representing approximately 33.33% of the issued and outstanding Buffalo Shares prior to the completion of the Amalgamation and the Concurrent Financing. To the knowledge of Buffalo, the 1,040,000 Buffalo Shares reflected in the table below are required to be excluded for purposes of obtaining Majority of the Minority Approval of the Buffalo Amalgamation Resolution under TSXV Policies. Achieving Majority of the Minority Approval will also satisfy Buffalo's requirement to obtain minority approval under MI 61-101.

Name of Shareholder	Number of Excluded Buffalo Shares
Dr. Albert D. Friesen	700,000[(1)]
Pieter J. de Visser	200,000[(1)]
P. Marcus Enns	100,000[(1)]
Dr. George R. Thomas	40,000[(2)]

Notes:
(1) These Buffalo Shares were founders shares acquired prior to Buffalo's initial public offering.
(2) These Buffalo Shares were acquired as part of Buffalo's initial public offering.

Pursuant to the provisions of Multilateral Instrument 61-101, there is no requirement for Buffalo to obtain a formal valuation.

Effect on Resulting Issuer Shares held by Principals and Non-Principals upon Completion of the Amalgamation

Resulting Issuer Shares held by principals of the Resulting Issuer shall, upon the completion of the Amalgamation, be required to comply with the TSXV rules relating to escrow and, as a result, will be required to enter into the TSXV Escrow Agreement. See "*Appendix J - Information Concerning the Resulting Issuer - Escrowed Securities*".

The foregoing discussion is only a general overview of certain requirements of Canadian securities laws applicable to the resale of Resulting Issuer Shares to be received upon completion of the Amalgamation. All Buffalo Shareholders that receive such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

Procedure for Exchange of Shares

The Buffalo Shares outstanding immediately prior to the Effective Time shall be cancelled, and former Buffalo Shareholders (other than Buffalo Dissenting Shareholders) shall, without taking any further action, receive one (1) fully paid and non-assessable Resulting Issuer Share for each one (1) Buffalo Share held immediately prior to the Amalgamation.

INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

The directors and officers of Buffalo and their associates and affiliates, as a group, beneficially own, or control or direct, directly or indirectly, an aggregate of 1,000,000 Buffalo Shares and 300,000 Buffalo Options, representing 33.33% of the outstanding Buffalo Shares and 60% of the outstanding Buffalo Options, respectively (and which together represent approximately 37.14% of the outstanding Buffalo Shares on a fully-diluted basis).

Dr. Albert D. Friesen, Chief Executive Officer, Corporate Secretary and a director of Buffalo, is also the sole director and officer of Waverley and beneficially owns, or controls or directs, directly or indirectly, a majority of the outstanding Waverley Shares.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Information Circular, no Informed Person (as defined in National Instrument 51-102 - *Continuous Disclosure Obligations*) of Buffalo or any associate or affiliate of any such Informed Person has had any material interest, direct or indirect, in any transaction since the commencement of Buffalo's last financial year or in any proposed transaction which has materially affected or would materially affect Buffalo.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

No director, executive officer, employee, present or former, of Buffalo is indebted to Buffalo or to any other entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Buffalo. Further, no director or executive officer of Buffalo, nor any associate of any such director or executive officer is, or at any time since the beginning of Buffalo's most recently completed financial year, has been, indebted to Buffalo or to any other entity if the indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by such company or its subsidiaries.

BUFFALO DISSENT RIGHTS

The following description of the right to dissent and appraisal to which registered Buffalo Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a Buffalo Dissenting Shareholder who seeks payment of the fair value of such Buffalo Dissenting Shareholder's Buffalo Shares and is qualified in its entirety by the reference to the full text of Section 190 of the CBCA, which is attached to this Information Circular as Appendix "G". A Buffalo Dissenting Shareholder who intends to exercise the right to dissent and appraisal should carefully consider and comply with the provisions of the CBCA. Failure to adhere to the procedures established therein may result in the loss of all rights thereunder. Accordingly, each Buffalo Dissenting Shareholder who might desire to exercise the Dissent Right should consult their own legal advisor.

Subject to certain tests as described below, Buffalo Dissenting Shareholders are entitled, in addition to any other right such Buffalo Dissenting Shareholder may have, to dissent and to be paid the fair value of the Buffalo Shares held by such Buffalo Dissenting Shareholder in respect of which such Buffalo Dissenting Shareholder dissents, determined as of the close of business on the last Business Day before the day on which the Buffalo Amalgamation Resolution from which such Buffalo Dissenting Shareholder's dissent was adopted. **A Buffalo Dissenting Shareholder may dissent only with respect to all of the Buffalo Shares held by such Buffalo Dissenting Shareholder or on behalf of any one beneficial owner and registered in the Buffalo Dissenting Shareholder's name. Only registered Buffalo Shareholders may dissent. Persons who are beneficial owners of Buffalo Shares registered in the name of a broker, dealer, bank, trust company or other nominee who wish to dissent, should be aware that they may only do so through the registered owner of such Buffalo Shares. A registered Buffalo Shareholder, such as a broker, who holds Buffalo Shares as nominee for beneficial holders, some of whom wish to dissent, must exercise the Dissent Right on behalf of such beneficial owners with respect to all of the Buffalo Shares held for such beneficial owners. In such case, the demand for dissent should set forth the number of Buffalo Shares covered by it.**

Buffalo Dissenting Shareholders must provide a written objection to the Buffalo Amalgamation Resolution to Buffalo c/o Pushor Mitchell LLP, 301 – 1665 Ellis Street, Kelowna, British Columbia V1Y 2B3 Attention: Keith Inman, by 4:00 p.m. (Mountain Daylight Time) on October 4, 2017 being two Business Days immediately preceding the date of the Buffalo Meeting, or two Business Day immediately preceding the date of any adjournment of the Buffalo Meeting. **No Buffalo Shareholder who has voted in favour of the Buffalo Amalgamation Resolution shall be entitled to dissent with respect to the Amalgamation.**

Either Buffalo or a Buffalo Dissenting Shareholder may apply to the Court, by way of an originating notice, after the approval of the Buffalo Amalgamation Resolution, to fix the fair value of the Buffalo Dissenting Shareholder's Buffalo Shares. If such an application is made to the Court by either Buffalo or a Buffalo Dissenting Shareholder, Buffalo must, unless the Court orders otherwise, send to each Buffalo Dissenting Shareholder a written offer to pay the Buffalo Dissenting Shareholder an amount, considered by the board of directors of Buffalo, to be the fair value of the Buffalo Shares held by such Buffalo Dissenting Shareholders. The offer, unless the Court orders otherwise, must be sent to each Buffalo Dissenting Shareholder at least ten (10) days before the date on which the application is returnable, if Buffalo is the applicant, or within ten (10) days after Buffalo is served a copy of the originating notice, if a Buffalo Dissenting Shareholder is the applicant. Every offer will be made on the same terms to each Buffalo Dissenting Shareholder of Buffalo Shares and contain or be accompanied by a statement showing how the fair value was determined.

A Buffalo Dissenting Shareholder may make an agreement with Buffalo for the purchase of such holder's Buffalo Shares in the amount of the offer made by Buffalo, or otherwise, at any time before the Court pronounces an order fixing the fair value of the Buffalo Shares.

A Buffalo Dissenting Shareholder will not be required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application or appraisal. On the application, the Court will make an order fixing the fair value of the Buffalo Shares of all Buffalo Dissenting Shareholders who are parties to the application, giving judgment in that amount against Buffalo and in favour of each of those Buffalo Dissenting Shareholders, and fixing the time within which Buffalo must pay the amount payable to each Buffalo Dissenting Shareholder calculated from the date on which the Buffalo Dissenting Shareholder ceases to have any rights as a Buffalo Shareholder, until the date of payment.

On the Amalgamation becoming effective, or upon the making of an agreement between Buffalo and the Buffalo Dissenting Shareholder as to the payment to be made by Buffalo to the Buffalo Dissenting Shareholder, or upon the pronouncement of a Court order, whichever first occurs, the Buffalo Dissenting Shareholder will cease to have any rights as a Buffalo Shareholder other than the right to be paid the fair value of such holder's Buffalo Shares in the amount or in the amount of the judgment, as the case may be. Until one of these events occurs, the Buffalo Dissenting Shareholder may withdraw the Buffalo Dissenting Shareholder's dissent, or if the Amalgamation has not yet become effective, Buffalo may rescind the Buffalo Amalgamation Resolution, and in either event, the dissent and appraisal proceedings in respect of that Buffalo Dissenting Shareholder will be discontinued.

Buffalo shall not make a payment to a Buffalo Dissenting Shareholder under Section 190 of the CBCA if there are reasonable grounds for believing that Buffalo is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of its assets would thereby be less than the aggregate of its liabilities. In such event, Buffalo shall notify each Buffalo Dissenting Shareholder that it is unable to lawfully pay Buffalo Dissenting Shareholders for their Buffalo Shares, in which case the Buffalo Dissenting Shareholder may, by written notice to Buffalo within thirty (30) days after receipt of such notice, withdraw such holder's written objection, in which case the holder shall be deemed to have participated in the Amalgamation as a Buffalo Shareholder. If the Buffalo Dissenting Shareholder does not withdraw such holder's written objection, such Buffalo Dissenting Shareholder retains status as a claimant against Buffalo to be paid as soon as Buffalo is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of Buffalo but in priority to its shareholders.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by Buffalo Dissenting Shareholders who seek payment of the fair value of their Buffalo Shares. Section 190 of the CBCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. **Accordingly, Buffalo Dissenting Shareholders who might desire to exercise the right to dissent and appraisal should carefully consider and comply with the provisions of Section 190 of the CBCA, the full text of which is set out in Appendix "G" to this Information Circular and consult their own legal advisor. Furthermore, the exercise of a right of dissent and appraisal by a Buffalo Dissenting Shareholder may give rise to certain tax liabilities to such Buffalo Dissenting Shareholder. Accordingly, Buffalo Dissenting Shareholders should consult their own tax advisors with respect to the tax consequences of exercising a right of dissent and appraisal in their particular circumstances.**

It is a condition to the Amalgamation that Buffalo Shareholders holding not greater than an aggregate of 10% of the outstanding Buffalo Shares shall have exercised Dissent Rights in respect of the Amalgamation.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

Canadian Federal Income Tax Considerations

In the opinion of Pushor Mitchell LLP, legal counsel to Buffalo, the following is a fair summary of the principal Canadian federal income tax considerations under the Tax Act relating to the Amalgamation generally applicable to Buffalo Shareholders who, for the purposes of the Tax Act and at all relevant times are resident in Canada; deal at arm's length with Waverley and Buffalo; are not affiliated with Waverley or Buffalo; and hold all Buffalo Shares, and will hold all Resulting Issuer Shares acquired on the Amalgamation, as capital property (each such Buffalo Shareholder, a "**Holder**").

A Holder's Buffalo Shares and Resulting Issuer Shares will generally be considered to be held as capital property unless the Holder holds the shares in the course of carrying on a business or as an adventure or concern in the nature of trade. Certain Holders whose Buffalo Shares or Resulting Issuer Shares might not otherwise qualify as capital property may, in certain circumstances, be entitled to make an irrevocable election under subsection 39(4) of the Tax Act to have such shares and every other "Canadian security" (as defined in the Tax Act) owned by such Holder in the taxation year of the election, and in all subsequent taxation years, deemed to be capital property. Such Holders should consult their own tax advisors regarding whether an election under subsection 39(4) of the Tax Act is available and advisable in their particular circumstances.

This summary is not applicable to a Holder: (a) that is a "financial institution" as defined in the Tax Act for purposes of the "mark-to-market property" rules; (b) that is a "specified financial institution" as defined in the Tax Act; (c) an interest in which is a "tax shelter investment" as defined in the Tax Act; (d) to whom the "functional currency" reporting rules in the Tax Act apply; (e) that is a corporation resident in Canada that is, or becomes as part of a series of transactions that includes the acquisition of the Buffalo Shares or Resulting Issuer Shares, controlled by a non-resident corporation for the purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act; (f) that has or will enter into a "derivative forward agreement" or "synthetic disposition arrangement", both as defined in the Tax Act; (g) that is exempt from tax under the Tax Act; or (h) who acquired the Buffalo Shares or Resulting Issuer Shares on the exercise of an employee stock option. Such Holders should consult their own tax advisors.

This summary is based upon the current provisions of the Tax Act, all publicly announced proposals to amend the Tax Act and on the published administrative practices of the Canada Revenue Agency, all as of August 28, 2017. It is assumed that publicly announced proposals to amend the Tax Act will be enacted in their present form and that there will be no other material change to any relevant law or practice, although no assurances can be given in this regard. This summary does not take into account any provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is of a general nature only and is not exhaustive of all possible relevant Canadian federal income tax considerations. This summary is not, and should not be construed as, legal or tax advice to any particular Holder and no representations with respect to the tax consequences to any particular Holder are made. Accordingly, Holders should consult their own tax advisors with respect to the Canadian federal income tax consequences of the Amalgamation, and of owning and disposing of Resulting Issuer Shares, in their particular circumstances.

The Amalgamation

A Holder who receives Resulting Issuer Shares in exchange for Buffalo Shares pursuant to the Amalgamation will be deemed to have disposed of such Buffalo Shares for proceeds of disposition equal to the Holder's adjusted cost base thereof immediately before the Amalgamation. As a result, such a Holder will not recognize a capital gain or capital loss in respect of the exchange. The Holder will also be deemed to have acquired the Resulting Issuer Shares received in exchange for such Buffalo Shares at a cost equal to the Holder's adjusted cost base of the Buffalo Shares immediately before the Amalgamation.

Taxation of Dividends

A Holder who is an individual will be required to include in income any dividends received or deemed to be received on Resulting Issuer Shares and will be subject to the gross-up and dividend tax credit rules normally applicable to dividends from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit for dividends that have been designated as "eligible dividends" (as defined in the Tax Act) in accordance with the provisions of the Tax Act. Taxable dividends received by an individual, other than certain specified trusts, may give rise to a liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

A Holder that is a corporation will be required to include in income any dividends received or deemed to be received in income and may be entitled to deduct an equivalent amount in computing its taxable income. In certain cases all or part of a dividend received by a Holder that is a corporation may be treated as proceeds of disposition or a gain and not as a dividend. A “private corporation” or a “subject corporation” (as defined in the Tax Act) may be liable for refundable tax under Part IV of the Tax Act on any dividends received or deemed to be received.

Disposition of Resulting Issuer Shares

A Holder that disposes of, or is deemed to dispose of Resulting Issuer Shares to a person other than the Resulting Issuer will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by, respectively) the aggregate of the Holder’s adjusted cost base of such Resulting Issuer Shares immediately prior to the disposition.

Taxation of Capital Gains and Capital Losses

A Holder generally will be required to include in computing its income for the taxation year of disposition one-half of the amount of any capital gain (a “taxable capital gain”) realized in such year. Subject to certain limits, a Holder may deduct one-half of any capital loss (an “allowable capital loss”) from taxable capital gains realized in the taxation year and, to the extent not so deductible, from taxable capital gains realized in any of the three preceding or any following year.

Capital gains realized by an individual, other than certain specified trusts, may give rise to a liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

In general, a capital loss otherwise arising upon the disposition of a share by a Holder that is a corporation may be reduced by the amount of dividends previously received or deemed to have been received by it on such share, to the extent and under the circumstances described in the Tax Act. Similar rules may apply where shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Holder that throughout a taxation year is a “Canadian-controlled private corporation” as defined in the Tax Act may be liable to pay an additional refundable tax on certain investment income, which includes taxable capital gains.

Dissenting Shareholders

A Holder that exercises Dissent Rights in respect of the Amalgamation will be deemed to have transferred such dissenting Holder’s Buffalo Shares to Buffalo and will be entitled to receive a payment from Buffalo equal to the fair value of the dissent Holder’s Buffalo Shares.

A dissenting Holder will generally be deemed to have received a taxable dividend from Buffalo to the extent, if any, by which the payment received by the dissenting Holder (other than any amount in respect of interest awarded by the court) exceeds the paid-up capital of such shares, and the balance of the payment (other than any amount in respect of interest awarded by the court) will be received by the Holder as proceeds of disposition of the dissenting Holder’s Buffalo Shares. To the extent, if any, that such proceeds of disposition exceed (or are exceeded by) the dissenting Holder’s adjusted cost base of the Buffalo Shares, the dissenting Holder will realize a capital gain (or capital loss, respectively) that will be subject to the usual rules of the Tax Act applicable to capital gains or losses (as described above). In certain cases all or part of a deemed dividend received by a dissenting Holder that is a corporation may be treated as proceeds of disposition and not as a deemed dividend.

A dissenting Holder who receives interest awarded by the court will be required to include the full amount of such interest in the Holder’s income.

No Non-Canadian Income Tax Considerations

This Information Circular does not contain a summary of the non-Canadian income tax consequences of the Amalgamation for Buffalo Shareholders who are subject to tax outside of Canada. Such holders should consult their own tax advisors with respect to the tax implications of the Amalgamation, including any associated filing requirements, in such jurisdictions and with respect to the tax implications in such jurisdictions of owning Resulting Issuer Shares after the Amalgamation.

TIMING OF THE AMALGAMATION

If the Buffalo Amalgamation Resolution is approved by the Buffalo Shareholders as required and the other conditions precedent to the Amalgamation specified in the Amalgamation Agreement are satisfied or waived, Buffalo expects that the Effective Date will be on or about October 10, 2017. It is not possible, however, to state with certainty when the Effective Date will occur.

The Amalgamation will become effective upon receipt from the Director of a Certificate of Amalgamation pursuant to Section 185(4) of the CBCA.

Buffalo's objective is to have the Effective Date occur on or as soon as practicable after the approval of the Buffalo Amalgamation Resolution by the Buffalo Shareholders an. The Effective Date could be delayed, however, for a number of reasons but, in accordance with the Amalgamation Agreement, must occur by October 13, 2017 or such other date as agreed to by the Parties in writing.

EXPENSES OF THE AMALGAMATION

The aggregate costs of Buffalo to be incurred relating to the Amalgamation are estimated to be approximately $557,000 (inclusive of commissions and estimated expenses of the Agent in connection with the Concurrent Financing). Each of Buffalo and Waverley will bear its own costs and expenses in connection with the transactions contemplated by the Amalgamation.

PRO FORMA INFORMATION AFTER GIVING EFFECT TO THE AMALGAMATION

Selected Pro Forma Financial Information

The following information should be read in conjunction with: (a) the pro forma financial statements of the Resulting Issuer after giving effect to the Amalgamation, which are attached as Appendix "K" hereto; (b) the audited annual consolidated financial statements of Waverley for the financial years ended December 31, 2016, 2015 and 2014, the unaudited condensed interim consolidated financial statements of Waverley for the three month periods ended March 31, 2017 and 2016, and the MD&A filed in connection with such financial statements, which are attached as Schedules "A" and "B" respectively to Appendix "I" hereto; and (c) the consolidated audited financial statements of Buffalo for the financial periods ended January 31, 2017 and December 31, 2016, the unaudited financial statements of Buffalo for the three month period ended March 31, 2017 and the MD&A in connection with such financial statements, which are available on SEDAR and are attached as Schedules "A" and "B", respectively to Appendix "H" hereto.

The following table sets out certain financial information for Waverley and Buffalo, on a consolidated basis, and pro forma financial information for the Resulting Issuer after giving effect to the Amalgamation:

Balance Sheet Data	Waverley as at March 31, 2017 (CDN$)	Buffalo as at March 31, 2017 (CDN$)	Resulting Issuer Pro Forma as at March 31, 2017 (after giving effect to the Amalgamation)(1)(2) (CDN$)
Assets:			
Current Assets	100	133,077	4,674,257
Total Assets	100	133,077	4,674,257
Liabilities:			
Current Liabilities	11,854	44,265	412,890
Total Liabilities	11,854	44,265	412,890
Shareholder's Equity:			
Share Capital	100	100,000	5,640,500

Balance Sheet Data	Waverley as at March 31, 2017 (CDN$)	Buffalo as at March 31, 2017 (CDN$)	Resulting Issuer Pro Forma as at March 31, 2017 (after giving effect to the Amalgamation)(1)(2) (CDN$)
(Deficit)	(11,854)	(11,188)	(2,090,433)
Total Equity	(11,754)	88,812	4,261,367
Total of Liabilities & Equity	100	133,077	4,674,257

Note:

(1) Assuming the Concurrent Financing is fully subscribed, 100 Waverley Shares and 13,000,000 Buffalo Shares will be exchanged for Resulting Issuer Shares.

(2) The pro forma financial statements of the Resulting Issuer after giving effect to the Amalgamation assuming the Concurrent Financing is fully subscribed. See "*Appendix "K" – Pro Forma Financial Information*".

RISK FACTORS

AN INVESTMENT IN SECURITIES OF THE RESULTING ISSUER IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

Prior to making an investment decision, investors should consider the investment risks set forth below and those described elsewhere in this Information Circular, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of Buffalo and Waverley consider the risks set forth below to be the most significant, but do not consider them to be all of the risks associated with an investment in securities of Buffalo, Waverley or the Resulting Issuer. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in connection with the Resulting Issuer's business, actually occur, the Resulting Issuer's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Resulting Issuer's securities could decline and investors may lose all or part of their investment.

Risks Relating to Waverley and the Resulting Issuer

Waverley's current business will be the Resulting Issuer's business upon completion of the Amalgamation. Certain risk factors associated with the principal business of the Resulting Issuer are discussed below. Due to the nature of Waverley's business and the present stage of development, the Resulting Issuer may be subject to significant risks. This section does not describe all risks applicable to the Resulting Issuer or its business, and is intended only as a summary of certain material risks. Readers should carefully consider all such risks set out in the discussion below. Waverley's actual operating results may be very different from those expected as at the date of this Information Circular.

Waverley is unable to predict whether it will be able to profitably commercialize WAV-101 and WAV-102.

Waverley has not yet received regulatory approval for the commercial sale of WAV-101 and WAV-102 in any market. Accordingly, Waverley has not generated any revenues from product sales. A substantial commitment of resources will be required to commercialize WAV-101 and WAV-102. There can be no assurance that WAV-101 and WAV-102 will meet applicable regulatory standards, be capable of being produced in commercial quantities at reasonable cost or be successfully marketed, or that the investment made by the Resulting Issuer in the commercialization of the products will be recovered through sales, license fees or related royalties.

The Resulting Issuer will have no immediate sources of product revenue.

The Resulting Issuer has no immediate sources of product revenue and cannot predict when or if it will generate product revenue. The Resulting Issuer's ability to generate product revenue and ultimately become profitable depends upon its ability, alone or with partners, to successfully obtain regulatory approval and commercialize products, including either of WAV-101 or WAV-102, or other product candidates that may be developed, in-licensed or acquired in the future. The Resulting Issuer does not anticipate generating revenue from the sale of products for at least fifteen (15) months following the completion of the Amalgamation.

The Resulting Issuer's future success is dependent primarily on the regulatory approval of two products.

Waverley does not have any products that have gained regulatory approval. Currently, its only product candidates are WAV-101 and WAV-102. As a result, the Resulting Issuer's near-term prospects, including its ability to finance its operations and generate revenue, are substantially dependent on its ability to obtain regulatory approval for, and, if approved, to successfully commercialize WAV-101 and WAV-102 in a timely manner. The Resulting Issuer cannot commercialize WAV-101 and WAV-102 or other future product candidates without first obtaining regulatory approval for the products from the applicable regulatory bodies in each applicable jurisdiction. There can be no assurance regulatory approval will be granted. Before obtaining regulatory approvals for the commercial sale of WAV-101 and WAV-102 or other future product candidates for a target indication, the Resulting Issuer must demonstrate with substantial evidence gathered in pre-clinical and clinical studies to the satisfaction of the relevant regulatory authorities, that the product candidate is safe and effective for use for that target indication and that the manufacturing facilities, processes and controls are adequate. Many of these factors are beyond the Resulting Issuer's control. If the Resulting Issuer, or its potential commercialization collaborators, are unable to successfully commercialize WAV-101 and WAV-102, it may not be able to earn sufficient revenues to continue its business.

If the Resulting Issuer breaches any of the agreements under which it licenses rights to product candidates (including WAV-101 and WAV-102) or technology from third parties, it can lose license rights that are important to its business. Waverley's current license agreements may not provide an adequate remedy for breach by the licensor.

Waverley is licensing WAV-101 and WAV-102 pursuant to the Waverley License, Manufacture and Supply Agreement with Reliance Life Sciences Private Limited (the "**Licensor**"). The Resulting Issuer is subject to a number of risks associated with its collaboration with the Licensor, including the risk that the Licensor may terminate the Waverley License, Manufacture and Supply Agreement upon the occurrence of certain specified events. The Waverley License, Manufacture and Supply Agreement requires, among other things, that the Resulting Issuer make certain payments and use reasonable commercial efforts to meet certain regulatory milestones. If it fails to comply with any of these obligations or otherwise breach these or similar agreements, the Licensor or any future licensors may have the right to terminate the license(s) in whole. The Resulting Issuer can also suffer the consequences of non-compliance or breaches by Licensor in connection with the Agreement. Such non-compliance or breaches by such third parties can in turn result in breaches or defaults under the Resulting Issuer's agreements with other collaboration partners, and it can be found liable for damages or lose certain rights, including rights to develop and/or commercialize a product or product candidate. Loss of its rights to the licensed intellectual property or any similar license granted to it in the future, or the exclusivity rights provided therein, can harm the Resulting Issuer's financial condition and operating results.

The Resulting Issuer will rely on contract manufacturers over whom Waverley has limited control. If Waverley is subject to quality, cost or delivery issues with the preclinical and clinical grade materials supplied by contract manufacturers, business operations could suffer significant harm.

Waverley has limited manufacturing experience and the Resulting Issuer will rely on contract development and manufacturing organizations ("**CDMOs**") to manufacture WAV-101 and WAV-102. Waverley will rely on CDMOs for manufacturing, filling, packaging, storing and shipping of drug product in compliance with current Good Manufacturing Practices ("**cGMP**") regulations applicable to its products. The cGMP regulations for drugs contain minimum requirements for the methods, facilities and controls used in manufacturing, processing and packing of a drug product. There can be no assurances that the CDMOs selected will be able to meet future timetables and requirements. If the Resulting Issuer is unable to arrange for alternative third-party manufacturing sources on commercially reasonable terms or in a timely manner, it may delay the sale of its products. Further, contract manufacturers must operate in compliance with cGMP and failure to do so could result in, among other things, the disruption of product supplies. The Resulting Issuer's dependence upon third parties for the manufacture of its products may adversely affect profit margins and ability to develop and deliver products on a timely and competitive basis.

The Resulting Issuer will be highly dependent upon certain key personnel and their loss could adversely affect its ability to achieve its business objectives.

The loss of Dr. Albert D. Friesen or other key members of the scientific and operating staff could harm the Resulting Issuer. The Resulting Issuer will also depend on scientific and clinical collaborators and advisors, all of whom have outside commitments that may limit their availability. In addition, the Resulting Issuer believes that future success will depend in large part upon its ability to attract and retain highly skilled scientific, managerial, medical, marketing, clinical and regulatory personnel. Agreements will be entered into with scientific and clinical collaborators and advisors, key opinion leaders and academic partners in the ordinary course of business. Notwithstanding these arrangements, there is significant competition for these types of personnel from other companies, research and academic institutions, government entities and other organizations. The loss of the services of any of the executive officers or other key personnel could potentially harm the business, operating results or financial condition of the Resulting Issuer.

If the Resulting Issuer's competitors develop and market products that are more effective and less costly than WAV-101, WAV-102 or any products that it may develop, or obtain marketing approval before it does, its products may be rendered obsolete or uncompetitive.

Technological competition from pharmaceutical companies, biotechnology companies and universities is intense and is expected to increase. Many of the Resulting Issuer's competitors and potential competitors have substantially greater product development capabilities and financial, scientific, marketing and human resources than it does. The Resulting Issuer's future success depends in part on its ability to maintain a competitive position, including its ability to further progress WAV-101 and WAV-102 through the necessary regulatory approvals for sale and commercialization. Other companies may succeed in commercializing products earlier than the Resulting Issuer is able to commercialize its products or they may succeed in developing products that are more effective or less costly than its products. While the Resulting Issuer will seek to expand its technological capabilities in order to remain competitive, there can be no assurance that developments by others will not render its products uncompetitive or that the Resulting Issuer or its licensors will be able to keep pace with technological developments. Competitors have developed technologies that could be the basis for competitive products. Some of those products may have an entirely different approach or means of accomplishing the desired therapeutic effect than the Resulting Issuer's products and may be more effective or less costly than its products. In addition, other forms of medical treatment may offer competition to the products. The success of the Resulting Issuer's competitors and their products and technologies relative to its technological capabilities and competitiveness could have a material adverse effect on the business of the Resulting Issuer.

The Resulting Issuer will be subject to extensive government regulation.

Securing final regulatory approval for the manufacture and sale of human therapeutic products is a long and costly process that is controlled by a particular country's national regulatory agency. Approval in any one country does not assure approval in any other country. Prior to obtaining final regulatory approval to market a drug product, every national regulatory agency has a variety of statutes and regulations which govern the principal development activities. These laws require controlled research and testing of products, government review and approval of a submission containing pre-clinical and clinical data establishing the safety and efficacy of the product for each use sought, approval of manufacturing facilities including adherence to cGMP during production and storage and control of marketing activities, including advertising and labelling. There can be no assurance that WAV-101 and WAV-102 will be successfully commercialized in any given country. There can be no assurance that the Resulting Issuer's licensed products will receive applicable regulatory approvals from applicable regulatory bodies.

The Resulting Issuer faces the risk of product liability claims, which could exceed its insurance coverage and produce recalls, each of which could deplete cash resources.

The Resulting Issuer is exposed to the risk of product liability claims alleging that use of WAV-101 or WAV-102 caused an injury or harm. These claims can arise at any point in the marketing or sale of products and may be made directly by consumers or healthcare providers. Product liability claims can be expensive to defend, even if the product or product candidate did not actually cause the alleged injury or harm. Insurance covering product liability claims is expensive. Currently, Waverley does not maintain insurance coverage and there can be no assurance that insurance coverage will be available at a cost acceptable to the Resulting Issuer, or at all. The Resulting Issuer may choose or find it necessary under its collaborative agreements to obtain insurance coverage in the future but may not be able to secure greater or broader product liability insurance coverage on acceptable terms or at reasonable costs when needed. Any liability for damages resulting from a product liability claim could exceed the amount of the coverage, require payment of a substantial monetary award from the Resulting Issuer's cash resources and have a material adverse effect on the business, financial condition and results of operations. Moreover, a product recall, if required, could generate substantial negative publicity about the products and business, inhibit or prevent commercialization of other products and product candidates or negatively impact existing or future collaborations.

The Resulting Issuer may not achieve its publicly announced milestones according to schedule, or at all.

From time to time, the Resulting Issuer may announce the timing of certain events expected to occur, such as the anticipated timing of receipt of regulatory approval to sell WAV-101 or WAV-102. These statements are forward-looking and are based on the best estimates of management at the time relating to the occurrence of such events. However, the actual timing of such events may differ from what has been publicly disclosed. The timing of events such as filing of an application to obtain regulatory approval may ultimately vary from what is publicly disclosed. The Resulting Issuer undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. Any variation in the timing of previously announced milestones could have a material adverse effect on the business plan, financial condition or operating results and the trading price of the Resulting Issuer Shares.

Changes in government regulations, although beyond its control, could have an adverse effect on the Resulting Issuer's business.

Any changes in the pharmaceutical regulatory environment or shifts in political attitudes of a government are beyond the Resulting Issuer's control and may adversely affect its business. Its business may also be affected in varying degrees by such factors as government regulations with respect to intellectual property, regulation or export controls. Such changes remain beyond the Resulting Issuer's control and the effect of any such changes cannot be predicted. These factors could have a material adverse effect on its ability to further market and sell its licensed products.

Significant shareholder of Waverley may have material influence over the governance and operation of the Resulting Issuer.

Following the completion of the Amalgamation and after giving effect to the Concurrent Financing, the founder, Dr. Albert D. Friesen will hold a controlling interest in the Resulting Issuer. For as long as Dr. Friesen maintains a significant interest in the Resulting Issuer, he may be in a position to affect the governance and operations of the Resulting Issuer. In addition, Dr. Friesen may have significant influence over the passage of any resolution of the Resulting Issuer shareholders (such as those that would be required to amend the constating documents or take certain other corporate actions) and may, for all practical purposes, be able to ensure the passage of any such resolution by voting for it or prevent the passage of any such resolution by voting against it. The effect of this influence may be to limit the price that investors are willing to pay for the Resulting Issuer Shares. In addition, the potential that Dr. Friesen may sell his Resulting Issuer Shares in the public market (commonly referred to as "market overhang"), as well as any actual sales of such common shares in the public market, could adversely affect the market price of the Resulting Issuer Shares.

***The Resulting Issuer's success depends upon its ability to protect its intellectual property and commercialize its products without infringing on the proprietary rights of third parties*.**

The Resulting Issuer's success will depend, in part, on its ability and its licensors' ability to obtain patents, maintain trade secrets protection and operate and commercialize its generic products without infringing on the proprietary rights of third parties or having third parties circumvent its rights. Certain licensors and the institutions that they represent, in certain cases, have filed and are actively pursuing certain applications for Canadian and foreign patents. The patent position of pharmaceutical and biotechnology firms is uncertain and involves complex legal and financial questions for which, in some cases, certain important legal principles remain unresolved. There can be no assurance that the patent applications made in respect of the owned or licensed products will result in the issuance of patents, that the term of a patent will be extendable after it expires in due course, that the licensors or the institutions that they represent will develop additional proprietary products that are patentable, that any patent issued to the licensors or the Resulting Issuer will provide it with any competitive advantages, that the patents of others will not impede its ability to do business or that third parties will not be able to circumvent or successfully challenge the patents obtained in respect of the licensed products. The cost of obtaining and maintaining patents is high. Furthermore, there can be no assurance that others will not independently develop similar products which duplicate any of the licensed products or, if patents are issued, design around the patent for the product. There can be no assurance that the Resulting Issuer's processes or products or those of its licensors do not or will not infringe upon the patents of third parties or that the scope of its patents or those of its licensors will successfully prevent third parties from developing similar and competitive products. Much of the Resulting Issuer's know-how and technology may not be patentable, though it may constitute trade secrets. There can be no assurance, however, that the Resulting Issuer will be able to meaningfully protect its trade secrets. To help protect its intellectual property rights and proprietary technology the Resulting Issuer requires employees, consultants, advisors and collaborators to enter into confidentiality agreements. There can be no assurance that these agreements will provide meaningful protection for the Resulting Issuer's trade secrets, know-how or other proprietary information in the event of any unauthorized use or disclosure.

The Resulting Issuer's potential involvement in intellectual property litigation could negatively affect its business.

The Resulting Issuer's future success and competitive position depend in part upon its ability to maintain its intellectual property portfolio and successfully defend potential intellectual property infringement claims brought by third parties against it. There can be no assurance that any patents will be issued on any existing or future patent applications. Even if such patents are issued, there can be no assurance that any patents issued or licensed to the Resulting Issuer will not be challenged. The Resulting Issuer's ability to establish and maintain a competitive position may be achieved in part by prosecuting claims against others who it believes are infringing its rights and by defending claims brought by others who believe that the Resulting Issuer is infringing their rights. In addition, enforcement of its patents in foreign jurisdictions will depend on the legal procedures in those jurisdictions. Even if such claims are found to be invalid, the Resulting Issuer's involvement in intellectual property litigation could have a material adverse effect on its ability to out-license any products that are the subject of such litigation. In addition, its involvement in intellectual property litigation could result in significant expense, which could materially adversely affect the use or licensing of related intellectual property and divert the efforts of its valuable technical and management personnel from their principal responsibilities, whether or not such litigation is resolved in its favour.

Product liability claims are an inherent risk of the Resulting Issuer's business, and if the Resulting Issuer's clinical trial and product liability insurance prove inadequate, product liability claims may harm its business.

Human therapeutic products involve an inherent risk of product liability claims and associated adverse publicity. There can be no assurance that the Resulting Issuer will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive, difficult to obtain and may not be available in the future on acceptable terms, or at all. An inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could have a material adverse effect on the Resulting Issuer's business by preventing or inhibiting the commercialization of its products, licensed and owned, if a product is withdrawn or a product liability claim is brought against it.

The Resulting Issuer will have significant additional future capital needs and there are uncertainties as to its ability to raise additional funding.

The Resulting Issuer will require significant additional capital resources to expand its business. Advancing its product candidates or acquisition and development of any new products or product candidates will require considerable resources and additional access to capital markets. In addition, the Resulting Issuer's future cash requirements may vary materially from those now expected.

The Resulting Issuer can potentially seek additional funding through corporate collaborations and licensing arrangements, through public or private equity or debt financing, or through other transactions. However, if capital market conditions in general, or with respect to life sciences companies such as the Resulting Issuer, are unfavourable, the Resulting Issuer's ability to obtain significant additional funding on acceptable terms, if at all, will be negatively affected. Additional financing that it may pursue may involve the sale of Resulting Issuer Shares or financial instruments that are exchangeable for, or convertible into, Resulting Issuer Shares, which could result in significant dilution to its shareholders. If sufficient capital is not available, the Resulting Issuer may be required to delay the implementation of its business strategy, which could have a material adverse effect on its business, financial condition, prospects or results of operations.

A prolonged decline in the price of the Resulting Issuer Shares could result in a reduction in the liquidity of the Resulting Issuer Shares and a reduction in the Resulting Issuer's ability to raise capital. As a significant portion of the Resulting Issuer's operations will probably be financed through the sale of equity securities, a decline in the price of the Resulting Issuer Shares could be especially detrimental to liquidity.

Future sales or issuances of equity securities or the conversion of securities to common shares could decrease the value of the common shares, dilute investors' voting power, and reduce earnings per share.

The Resulting Issuer may sell additional equity securities in future offerings, including through the sale of securities convertible into equity securities, to finance operations, acquisitions or projects, and issue additional common shares if outstanding securities are converted to common shares, which may result in dilution. See "*Appendix H - Information Concerning Buffalo Capital Inc. Prior to the Amalgamation*", for details of outstanding securities convertible into Buffalo Shares.

The Resulting Issuer's board of directors will have the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, shareholders. Based on the need for additional capital to fund expected expenditures and growth, it is likely that the Resulting Issuer will issue additional securities to provide such capital.

Sales of substantial amounts of securities, or the availability of such securities for sale, as well as the issuance of substantial amounts of common shares upon conversion of outstanding convertible equity securities, could adversely affect the prevailing market prices for securities and dilute investors' earnings per share. A decline in the future market prices of the Resulting Issuer's securities could impair its ability to raise additional capital through the sale of securities should it desire to do so.

The Resulting Issuer is subject to foreign exchange risk relating to the relative value of the U.S. dollar.

A material portion of the Resulting Issuer's expenses are denominated in U.S. dollars. As a result, the Resulting Issuer is subject to foreign exchange risks relating to the relative value of the Canadian dollar as compared to the U.S. dollar. A decline in the Canadian dollar would result in an increase in the actual amount of its expenses and adversely impact financial performance.

Any future profits will likely be used for the continued growth of the business and products and will not be used to pay dividends on the issued and outstanding shares.

The Resulting Issuer will not pay dividends on the issued and outstanding Resulting Issuer Shares upon completion of the Amalgamation or in the foreseeable future. If the Resulting Issuer generates any future earnings such cash resources will be retained to finance further growth and current operations. The board of directors will determine if and when dividends should be declared and paid in the future based on the Resulting Issuer's financial position and other factors relevant at the particular time. Until the Resulting Issuer pays dividends, which it may never do, a shareholder will not be able to receive a return on his or her investment in the Resulting Issuer Shares unless such Resulting Issuer Shares are sold. In such event, a shareholder may only be able to sell his, her or its Resulting Issuer Shares at a price less than the price such shareholder originally paid for them, which could result in a significant loss of such shareholder's investment.

The market for shares in Canada is not stable or predictable and shareholder profits are not in the foreseeable future.

The market price for the Resulting Issuer Shares cannot be assured. Securities markets have recently experienced an extreme level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

The trading price of Buffalo Shares has been, and the trading price of the Resulting Issuer Shares may continue to be, subject to large fluctuations. For the same reason, the value of any of the Resulting Issuer's securities convertible into, or exchangeable for, Resulting Issuer Shares may also fluctuate significantly, which may result in losses to investors. The trading price of the Resulting Issuer Shares and, if applicable, any securities exercisable for, convertible into, or exchangeable for, Resulting Issuer Shares may increase or decrease in response to a number of events and factors, both known and unknown. In addition, the market price of the Resulting Issuer Shares will be affected by many variables not directly related to the Resulting Issuer's success and will therefore not be within its control, including other developments that affect the market for all resource sector securities, the breadth of the public market for the common shares, and the attractiveness of alternative investments. The effect of these and other factors on the market price of Buffalo Shares has historically made Buffalo Shares price volatile and suggests that the price of the Resulting Issuer Shares will continue to be volatile in the future.

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

The market price for the Resulting Issuer Shares may also be affected by the Resulting Issuer's ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of the Resulting Issuer Shares.

Generally, a litigation risk exists for any company that may compromise its ability to conduct the Resulting Issuer's business.

All industries are subject to legal claims, with and without merit. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Resulting Issuer's business, prospects, financial condition and results of operations.

Conflicts of Interest

Certain of the directors and officers of the Resulting Issuer are also directors and officers of other publicly listed companies. As a result, conflicts of interest may arise, or the business of the Resulting Issuer may suffer due to such directors and officers having restricted time to focus on the Resulting Issuer and having competing interests to think about.

The Resulting Issuer's success depends on its ability to effectively manage its growth.

The Resulting Issuer may be subject to growth-related risks including pressure on its internal systems and controls. The Resulting Issuer's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. Inability to deal with this growth could have a material adverse impact on its business, operations and prospects. The Resulting Issuer may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for its personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Resulting Issuer will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Resulting Issuer will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support its operations or that the Resulting Issuer will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Any failure to maintain an effective system of internal controls may result in material misstatements of the Resulting Issuer's consolidated financial statements or cause the Resulting Issuer to fail to meet the reporting obligations or fail to prevent fraud; and in that case, shareholders could lose confidence in the Resulting Issuer's financial reporting, which would harm the business and could negatively impact the price of the Resulting Issuer Shares. Effective internal controls are necessary to provide reliable financial reports and prevent fraud. If there is a failure to maintain an effective system of internal controls, the Resulting Issuer might not be able to report financial results accurately or prevent fraud; and in that case, shareholders could lose confidence in the Resulting Issuer's financial reporting, which would harm the business and could negatively impact the price of the common shares.

While the Resulting Issuer believes that it will have sufficient personnel and review procedures to maintain an effective system of internal controls, no assurance can be provided that potential material weaknesses in internal control could arise. Even if it is concluded that the internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, because of its inherent limitations, internal control over financial reporting may not prevent or detect fraud or misstatements. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm results of operations or cause a failure to meet future reporting obligations.

Risks Relating to Buffalo

Whether or not the Amalgamation is completed, Buffalo will continue to face many of the risks that it currently faces with respect to its business and affairs, including, but not limited to those that follow.

Buffalo has a limited operating history and history of losses.

Buffalo was only recently incorporated, has not commenced commercial operations and has no assets other than cash. Buffalo has no history of earnings and will not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction. Until completion of a Qualifying Transaction, Buffalo is not permitted to carry on any business other than the identification and evaluation of potential transactions.

The success of the completion of the Amalgamation depends on the efforts of management of Buffalo, who may be involved in conflicts of interest.

The ability of Buffalo to successfully complete a Qualifying Transaction is dependent on the performance of its current directors and officers, who only devote a portion of their time to the business and affairs of Buffalo and are, or will be, engaged in other projects or businesses. The current directors, officers and Promoters of Buffalo also serve as directors and/or officers of other companies which may compete with Buffalo in its search for the businesses or assets targeted in order to complete a Qualifying Transaction. Accordingly, situations may arise where the directors, officers and promoters of Buffalo are in a position of conflict with Buffalo.

Possible Failure to Realize Anticipated Benefits of the Amalgamation

Buffalo is proposing to complete the Amalgamation to create a stronger and better positioned entity to strengthen the position of the Resulting Issuer in the pharmaceutical industry and to create the opportunity to realize certain benefits. There is no certainty that the anticipated benefits of the Amalgamation will be acquired by the Resulting Issuer.

The value of Buffalo will be adversely affected if the Amalgamation is not completed and completion of the Amalgamation is not guaranteed.

The completion of the Amalgamation contemplated by the Amalgamation Agreement is subject to certain conditions, including (a) obtaining all necessary regulatory approvals, including TSXV approval of the Amalgamation, the Concurrent Financing and other matters comprising part of the Amalgamation; (b) the approval by the Buffalo Shareholders of the Amalgamation; and (c) other customary conditions. There can be no assurance that all of the necessary regulatory and shareholder approvals will be obtained. If the Amalgamation contemplated by the Amalgamation Agreement is not completed for these reasons or for any other reasons, Buffalo will have incurred significant costs associated with the failed implementation of the Amalgamation.

Furthermore, Buffalo only has limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that Buffalo will be able to identify a suitable Qualifying Transaction in the future. Even if a proposed Qualifying Transaction is identified in the future, there can be no assurance that Buffalo will be able to successfully complete such other Qualifying Transaction, the completion of which is subject to a number of conditions, including acceptance by the TSXV and, in the case of a Non-Arm's Length Qualifying Transaction, approval of the majority of the minority shareholders.

Termination in the Event of a Change Having a Material Adverse Effect

Waverley has the right, in certain circumstances, to terminate the Amalgamation Agreement in the event of a change having a Material Adverse Effect on Buffalo. Although a Material Adverse Effect excludes certain events that are beyond the control of Buffalo, such as changes in general economic conditions, there can be no assurance that a change having a Material Adverse Effect will not occur prior to the Effective Date, in which case Waverley could elect to terminate the Amalgamation Agreement and the Amalgamation would not proceed. See "*The Amalgamation Agreement - Conditions to the Obligations of Waverley*" and "*The Amalgamation Agreement - Termination of Amalgamation Agreement*".

Buffalo has the right, in certain circumstances, to terminate the Amalgamation Agreement in the event of a change having a Material Adverse Effect on Waverley. Although a Material Adverse Effect excludes certain events that are beyond the control of Waverley, such as changes in general economic conditions or changes affecting generally the industries in which Waverley conducts business, there can be no assurance that a change having a Material Adverse Effect will not occur prior to the Effective Date, in which case Buffalo could elect to terminate the Amalgamation Agreement and the Amalgamation would not proceed. See "*The Amalgamation Agreement - Conditions to the Obligations of Buffalo*" and "*The Amalgamation Agreement - Termination of Amalgamation Agreement*".

INTERESTS OF EXPERTS

Certain legal matters relating to the Amalgamation are to be passed upon by Pushor Mitchell LLP, on behalf of Buffalo. The partners and associates of Pushor Mitchell LLP do not beneficially own, directly or indirectly, any of the issued and outstanding Buffalo Shares.

Certain legal matters relating to the Amalgamation are to be passed upon by EnerNext Counsel, on behalf of Waverley. The partners and associates of EnerNext Counsel do not beneficially own, directly or indirectly, any of the outstanding Waverley Shares.

There is no person or company who is named as having prepared or certified a statement, report or valuation in respect of Buffalo in this Information Circular and whose profession or business gives authority to the statement, report or valuation made by the person or company other than MNP LLP, Buffalo's auditor. MNP LLP has confirmed that it is independent with respect to Buffalo within the meaning of the rules of the Institute of Chartered Professional Accountants of Manitoba.

There is no person or company who is named as having prepared or certified a statement, report or valuation in respect of Waverley in this Information Circular, either directly or in a document incorporated by reference, and whose profession or business gives authority to the statement, report or valuation made by the person or company other than MNP LLP, Waverley's auditor. MNP LLP has confirmed that it is independent with respect to Waverley within the meaning of the rules of the Institute of Chartered Professional Accountants of Manitoba.

GENERAL MATTERS

Sponsorship

Buffalo has applied to the TSXV for an exemption from the sponsorship requirement.

Conflicts of Interest

Certain directors and officers of Buffalo are, or may be, associated with other reporting issuers or other corporations which may give rise to conflicts of interest. In accordance with the CBCA, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with Buffalo are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors of Buffalo are required to act honestly and in good faith with a view to the best interests of Buffalo.

Dr. Albert D. Friesen, Chief Executive Officer, Corporate Secretary and a Director of Buffalo, has disclosed to the Buffalo Board that he indirectly beneficially owns or controls or exercises direction over a majority of the issued and outstanding Waverley Shares. In his capacity as a director of Buffalo, Dr. Friesen has abstained from voting on the Amalgamation.

Board Approval

The Buffalo Board has determined (Dr. Albert D. Friesen abstaining) that the Amalgamation is in the best interests of the Buffalo Shareholders and have approved the delivery of this Information Circular to the Buffalo Shareholders.

MATTERS TO BE CONSIDERED AT THE BUFFALO MEETING

To the knowledge of the directors of Buffalo, the only matters to be brought before the Buffalo Meeting are those set forth in the accompanying Notice of Meeting.

Annual Business

Financial Statements

Pursuant to the CBCA, the directors of Buffalo will place before the Buffalo Shareholders at the Buffalo Meeting the audited financial statements of Buffalo for the periods ended December 31, 2016 and January 31, 2017, accompanying this Information Circular. Shareholder approval is not required in relation to the financial statements.

Election of Directors

The Buffalo Board currently consists of three (3) directors, Dr. Albert D. Friesen, Pieter J. de Visser and P. Marcus Enns. Management proposes to nominate for re-election each of the existing directors as well as one (1) additional director, Hellen Siwanowicz. All of the existing directors have been directors since Buffalo's incorporation on December 14, 2016 and have agreed to stand for re-election. A director's election is required to be passed by the affirmative vote of a majority of the votes cast at the Buffalo Meeting.

It is expected that each of Dr. Albert D. Friesen, Pieter J. de Visser, P. Marcus Enns and Hellen Siwanowicz will be directors of the Resulting Issuer upon completion of the Amalgamation. *Appendix "J" Information Concerning the Resulting Issuer.*

Each director will hold office until his or her re-election or replacement at the next annual meeting of Buffalo Shareholders unless he or she vacates such office prior to that time.

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the election of the proposed nominees. If any of the proposed nominees is unable to serve as a director, the individuals named in the enclosed form of proxy reserve the right to nominate and vote for another nominee in their discretion.

Stock Option Plan

The TSXV requires that a 10% rolling stock option plan be submitted for approval by the shareholders at each annual general meeting of Buffalo Shareholders. Buffalo Shareholders will be asked to pass an ordinary resolution that approves Buffalo's existing stock option plan as the Resulting Issuer's Option Plan should the Amalgamation be approved and completed and ratifies the Buffalo Option Plan should the Amalgamation not be approved. A copy of the stock option plan is attached hereto as Appendix E.

The full text of the ordinary resolution approving the stock option plan is attached to this Information Circular in Appendix B.

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the approval of the Buffalo Option Plan as the Resulting Issuer Option Plan should the Amalgamation be approved and completed and in FAVOUR the ratification of Buffalo's existing stock option plan should the Amalgamation not be approved.

Appointment of Auditors

Buffalo's current auditor, MNP LLP, has been the company's auditor since December 19, 2016.

If the Amalgamation is approved and completed, management of Buffalo is proposing to appoint MNP LLP as auditors of the Resulting Issuer for the current fiscal year. If the Amalgamation is not approved or completed, management of Buffalo is proposing to re-appoint MNP LLP as auditors of Buffalo for the current fiscal year.

Accordingly, Buffalo Shareholders will be asked at the Buffalo Meeting to pass an ordinary resolution, the full text of which is attached to this Information Circular in Appendix B.

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the approval of MNP LLP as the Resulting Issuer's auditors should the Amalgamation be approved and completed and IN FAVOUR the re-appointment of MNP LLP as Buffalo's auditors should the Amalgamation not be approved.

Special Business

Amalgamation

At the Buffalo Meeting, Buffalo Shareholders will be asked to consider the Buffalo Amalgamation Resolution in substantially the form set forth in Appendix "C" of this Information Circular. Buffalo Shareholders are urged to review the various sections of this Information Circular when considering the Buffalo Amalgamation Resolution.

The Buffalo Amalgamation Resolution requires approval by a majority of not less than $66^2/_3$% of the votes cast by Buffalo Shareholders present in person or by proxy at the Buffalo Meeting. The Buffalo Amalgamation Resolution must also receive Majority of the Minority Approval of votes cast by Buffalo Shareholders either in person or by proxy at the Buffalo Meeting.

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the Buffalo Amalgamation Resolution unless a Buffalo Shareholder has specified in its proxy that its Buffalo Shares are to be voted against the Buffalo Amalgamation Resolution.

BUFFALO GENERAL PROXY INFORMATION

Solicitation of Proxies

This Information Circular is provided in connection with the solicitation of proxies by the management of Buffalo for use at the Buffalo Meeting for the purposes set forth in the accompanying Notice of Meeting and the associated costs will be borne by Buffalo. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of Buffalo (who will not be specifically remunerated therefor).

The Meeting is being called, among other things, to seek the requisite approval of Buffalo Shareholders to the Amalgamation in accordance with Section 183 of the CBCA.

Appointment of Proxyholders

Accompanying this Information Circular is a form of proxy for holders of Buffalo Shares.

The instrument of proxy (the "Proxy") shall be in writing and shall be executed by the Buffalo Shareholder or his, her or its attorney authorized in writing or, if the Buffalo Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of such corporation. The persons named in the enclosed Proxy are directors and/or officers of Buffalo. Each Buffalo Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Buffalo Shareholder, to attend and to act for such Buffalo Shareholder and on such Buffalo Shareholder's behalf at the Buffalo Meeting. To exercise such right, the names of the persons designated by management should be crossed out and the name of the Buffalo Shareholder's appointee should be legibly printed in the blank space provided. Alternatively, a Buffalo Shareholder may complete another appropriate form of proxy. A proxy will not be valid unless it is hand delivered to Computershare at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at www.investorvote.com. All instructions are listed in the enclosed form of proxy. Your proxy or voting instructions must be received in each case not later than 2:00 p.m. (Central Daylight Time) on the date that is 48 hours (excluding Saturdays, Sundays and holidays) prior to the date of the Meeting or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjournment of the Meeting.

Revocation of Proxies

A Buffalo Shareholder who has submitted a Proxy or alternative form of proxy may revoke it with an instrument in writing signed by the Buffalo Shareholder or by his or her duly authorized attorney or, if the Buffalo Shareholder is a corporation, by a duly authorized officer or attorney of such corporation, provided such instrument is deposited either: (i) at the registered office of Buffalo, being c/o Pushor Mitchell LLP, 301 – 1665 Ellis Street, Kelowna, British Columbia V1Y 2B3; attention: Keith Inman, at any time up to and including the last Business Day preceding the day of the Buffalo Meeting, or any adjournment of the Buffalo Meeting at which the form of proxy is to be used; or (ii) with the Chairman of such Meeting on the day of the Buffalo Meeting or any adjournment of the Buffalo Meeting. In addition, a form of proxy may be revoked: (i) by the Buffalo Shareholder personally attending at the Buffalo Meeting and voting the securities represented by the proxy or, if the Buffalo Shareholder is a corporation, by a duly authorized officer or attorney of such corporation attending at the Buffalo Meeting and voting such securities; or (ii) in any other manner permitted by law.

Exercise of Discretion by Proxyholders

The Buffalo Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Buffalo Shareholder on any ballot that may be called for and that, if the Buffalo Shareholder specifies a choice with respect to any matter to be acted upon, the Buffalo Shares will be voted accordingly. As such, the persons named in the Proxy will vote or withhold from voting the Buffalo Shares in respect of which they are appointed, on any ballot that may be called for, in accordance with the direction of the Buffalo Shareholder appointing them. **In the absence of such specification, the proxyholder shall be deemed to have been granted the authority to vote the relevant Buffalo Shares IN FAVOUR of the approval of the Buffalo Amalgamation Resolution and all other resolutions presented to Buffalo Shareholders at the Buffalo Meeting. The Proxy also confers discretionary authority upon the persons named in the Proxy with respect to amendments to, or variations of, the matters identified in the Notice of Meeting and with respect to other matters that may properly be brought before the Buffalo Meeting.** As of the date hereof, the management of Buffalo knows of no such amendment, variation or other matter to come before the Buffalo Meeting.

Signing of Proxy

The Proxy must be signed by the Buffalo Shareholder or the Buffalo Shareholder's duly appointed attorney authorized in writing or, if the Buffalo Shareholder is a corporation, by a duly authorized officer or attorney of such corporation. A Proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Buffalo Shareholder) should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with Buffalo).

VOTING OF BUFFALO SHARES AND PRINCIPAL HOLDERS OF BUFFALO SHARES

Voting of Buffalo Shares

As at the date hereof, there are 3,000,000 Buffalo Shares issued and outstanding, each of which carries the right to one (1) vote at meetings of Buffalo Shareholders.

The Record Date for the determination of Buffalo Shareholders entitled to receive notice of and to vote at the Buffalo Meeting is September 5, 2017. Buffalo will prepare, as of the Record Date, a list of Buffalo Shareholders entitled to receive the Notice of Meeting and showing the number of Buffalo Shares held by each such Buffalo Shareholder. Only Buffalo Shareholders whose names have been entered in the register of holders of Buffalo Shares ("**Registered Buffalo Shareholders**") on the close of business on the Record Date will be entitled to receive notice of and to vote the Buffalo Shares shown opposite such Buffalo Shareholder's name at the Buffalo Meeting; provided that, to the extent that a Buffalo Shareholder transfers ownership of any Buffalo Shares after the Record Date and the transferee of those Buffalo Shares establishes ownership of such Buffalo Shares and demands, not later than ten (10) days before the Buffalo Meeting, to be included in the list of Buffalo Shareholders eligible to vote at the Buffalo Meeting, such transferee will be entitled to vote such Buffalo Shares at the Buffalo Meeting.

Shareholders who do not hold Buffalo Shares in their own name on the records of Buffalo are not entitled to receive notice of the Buffalo Meeting or to vote in respect of such shares at the Buffalo Meeting, and should refer to the section entitled "*Advice to Beneficial Holders of Buffalo Shares*" below for details regarding how they may exercise voting rights in respect of Buffalo Shares beneficially held by them.

Advice to Beneficial Shareholders of Buffalo Shares

The information set forth in this section is of significant importance to many Buffalo Shareholders, as a number of Buffalo Shareholders do not hold Buffalo Shares in their own name. Buffalo Shareholders who do not hold their Buffalo Shares in their own name ("**Beneficial Buffalo Shareholders**") should note that only proxies deposited by Buffalo Shareholders whose names appear on the records of Buffalo as the registered holders of Buffalo Shares can be recognized and acted upon at the Buffalo Meeting. If Buffalo Shares are listed in an account statement provided to a Buffalo Shareholder by a broker, then in almost all cases those Buffalo Shares will not be registered in the Buffalo Shareholder's own name on the records of Buffalo. Such Buffalo Shares will likely be registered in the name of the Buffalo Shareholder's broker or an agent of that broker. Buffalo Shares held by brokers or their agents or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Buffalo Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Buffalo Shares for the broker's clients. **Therefore, Beneficial Buffalo Shareholders cannot be recognized at the Buffalo Meeting for purposes of voting their Buffalo Shares in person or by way of proxy unless their brokers or agents are given specific instructions. If you are a Beneficial Buffalo Shareholder and wish to vote in person at the Buffalo Meeting, please contact your broker or agent well in advance of the Buffalo Meeting to determine how you can do so.** The directors and officers of Buffalo do not know for whose benefit the Buffalo Shares registered in the name of brokers or their agents or nominees are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Buffalo Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Buffalo Shareholders in order to ensure that their Buffalo Shares are voted at the Buffalo Meeting. In certain cases, the form of proxy supplied to a Beneficial Buffalo Shareholder by its broker (or the agent or nominee of the broker) is similar to the Proxy provided to Registered Buffalo Shareholders by Buffalo. However, its purpose is limited to instructing the Registered Buffalo Shareholder (the broker or agent or nominee of the broker) how to vote on behalf of the Beneficial Buffalo Shareholder. **A Beneficial Buffalo Shareholder receiving a voting instruction form from their broker or other intermediary (or an agent or nominee of such broker or other intermediary) cannot use that form to vote Buffalo Shares directly at the Buffalo Meeting. Instead, voting instructions must be communicated to the broker, intermediary, agent or nominee (in accordance with the instructions provided by it or on its behalf) well in advance of the Buffalo Meeting in order to have the Buffalo Shares voted at the Buffalo Meeting. If you have any questions respecting the voting of Buffalo Shares held through a broker or intermediary, please contact that broker or intermediary for assistance.**

Although a Beneficial Buffalo Shareholder may not be recognized directly at the Buffalo Meeting for the purposes of voting Buffalo Shares registered in the name of his or her or its broker (or agent or nominee of the broker), a Beneficial Buffalo Shareholder may attend the Buffalo Meeting as proxyholder for the Registered Buffalo Shareholder and vote the Buffalo Shares held beneficially by such Beneficial Buffalo Shareholder in that capacity. **Beneficial Buffalo Shareholders who wish to attend the Buffalo Meeting and indirectly vote their Buffalo Shares as proxyholder for the Registered Buffalo Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return it to their broker (or the broker's agent or nominee), in accordance with the instructions provided by such broker (or agent or nominee), well in advance of the Buffalo Meeting.**

Principal Holders of Buffalo Shares

Only holders of Buffalo Shares are entitled to vote at the Buffalo Meeting. Each Buffalo Share held is entitled to one vote. As at the date hereof, 3,000,000 Buffalo Shares are outstanding. To the best of the knowledge of the directors and executive officers of Buffalo, as at the date hereof, no persons or corporations beneficially own, or control or direct, directly or indirectly, more than 10% of the issued and outstanding Buffalo Shares other than Dr. Albert D. Friesen who owns 700,000 Buffalo Shares, being approximately 23% of the issued and outstanding Buffalo Shares.

QUESTIONS AND OTHER ASSISTANCE

If you have any questions about the information contained in the Information Circular or require assistance in completing your Proxy, please contact P. Marcus Enns at (204) 487-2328 or Buffalo's transfer agent, Computershare Investor Services, at 1-866-732-8683.

CERTIFICATES

Certificate of Buffalo

The foregoing document constitutes full, true and plain disclosure of all material facts relating to the securities of Buffalo Capital Inc. assuming completion of the Amalgamation.

BUFFALO CAPITAL INC.

(signed)	"*Albert D. Friesen*" Chief Executive Officer and Corporate Secretary	(signed)	"*Pieter J. de Visser*" Chief Financial Officer

On behalf of the Board of Directors

(signed)	"*Albert D. Friesen*" Director	(signed)	"*Pieter J. de Visser*" Director
(signed)	"*P. Marcus Enns*" Director		

Certificate of Waverley

The foregoing document as it relates to Waverley Pharma Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of Waverley Pharma Inc.

WAVERLEY PHARMA INC.

(signed) "*Albert D. Friesen*"
President

On behalf of the Board of Directors

(signed) "*Albert D. Friesen*"
Director

Acknowledgement – Personal Information

"Personal Information" means any information about an identifiable individual, and includes information contained in any Items in the attached Management Information Circular that are analogous to Items 4.2, 11, 12.1, 15, 17.2, 18.2, 23, 24, 26, 31.3, 32, 33, 34, 35, 36, 37, 38, 40 and 41 of TSXV Form 3B1, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

a) the disclosure of Personal Information by the undersigned to the TSXV (as defined in Appendix 6B) pursuant to TSXV Form 3B1; and

b) the collection, use and disclosure of Personal Information by the TSXV for the purposes described in Appendix 6B or as otherwise identified by the TSXV, from time to time.

BUFFALO CAPITAL INC.

(signed) "*Albert D. Friesen*"
Chief Executive Officer and Corporate Secretary

APPENDIX "A"
ANNUAL MEETING MATTERS

The Buffalo Board currently consists of three (3) directors, Dr. Albert D. Friesen, Pieter J. de Visser and P. Marcus Enns. Management proposes to nominate for re-election each of the existing directors as well as one (1) additional director, Hellen Siwanowicz. All of the existing directors have been directors since Buffalo's incorporation on December 14, 2016 and have agreed to stand for re-election. A director's election is required to be passed by the affirmative vote of a majority of the votes cast at the Buffalo Meeting.

Each director will hold office until his or her re-election or replacement at the next annual meeting of Buffalo Shareholders unless he or she vacates such office prior to that time.

It is the intention of the Buffalo management designees named in the accompanying form of proxy for the Buffalo Meeting, if named as a proxy, to vote in FAVOUR of the election of the proposed nominees. If any of the proposed nominees is unable to serve as a director, the individuals named in the enclosed form of proxy reserve the right to nominate and vote for another nominee in their discretion.

ELECTION OF DIRECTORS

The following table sets forth the name and municipality of residence for each of the proposed directors of Buffalo, together with the date they were appointed to their position at Buffalo, and the number and percentage of Buffalo Shares owned, or over which control or direction will be exercised, based on current shareholdings in Buffalo before giving effect to the Amalgamation.

Name, Position with Buffalo, Municipality of Residence and Date Appointed as Director or Officer of Buffalo	Principal Occupation for the Previous Five Years	Number and Percentage of Buffalo Shares Held or Controlled Prior to Completion of the Amalgamation
Dr. Albert D. Friesen Director Winnipeg, MB December 14, 2016	Dr. Friesen Chief Executive Officer and a director of Medicure Inc. (TSXV: MPH), a specialty pharmaceutical company focused on the development and commercialization of therapeutics for the U.S. hospital market. Dr. Friesen is also the President and founder of Genesys Venture Inc. ("**GVI**"), a private company which provides the expertise for launching and managing emerging health and biotechnology ventures.	700,000 (23.33%)
Pieter J. de Visser(1) Chief Financial Officer and Director Vancouver, BC December 14, 2016	Mr. de Visser was the managing and founding partner of DeVisser Gray LLP, Chartered Professional Accountants, a Vancouver firm that has provided services to the mining community for 25 years. He currently acts as an advisor to the firm.	200,000 (6.67%)
P. Marcus Enns(1) Director Winnipeg, MB December 14, 2016	Mr. Enns is the Vice President, Corporate Affairs of GVI, overseeing treasury activities and contract administration for the company and assisting in both private and public fundraising activities for GVI's client companies.	100,000 (3.33%)
Hellen Siwanowicz(1) Director	Ms. Siwanowicz is a lawyer with over 25 years of business law experience. From 1991 to 2016, she practiced law at McMillan LLP and its predecessor, Lang Michener LLP, with an emphasis on securities law. Ms. Siwanowicz has significant experience advising public companies on corporate finance, mergers and acquisitions and corporate governance matters.	Nil

Note:
(1) member of the audit committee.

Management

The following is a brief description of the director nominees and officers of Buffalo:

Albert D. Friesen, Chief Executive Officer, Corporate Secretary, Director and Promoter

Dr. Friesen is the President, Chief Executive Officer and a director of Medicure Inc. (TSXV: MPH), a specialty pharmaceutical company focused on the development and commercialization of therapeutics for the U.S. hospital market. Dr. Friesen is also the President and founder of GVI, a private company which provides the expertise for launching and managing emerging health and biotechnology ventures. Dr. Friesen has been involved with the founding and development of several other private and public health industry companies including: ABI Biotechnology Inc. (now Apotex Fermentation Inc.), a biotech company providing services in research, process development, scale-up and manufacturing of fermentation based products, including active pharmaceuticals and nutraceuticals; and the Winnipeg Rh Institute, where he led the development of Canada's first biotech product, WinRho. Dr. Friesen was a founder and the first Board of Director Chair of the Industrial Biotechnology Association of Canada (now BIOTECanada). See “Other Reporting Issuer Experience”.

Dr. Friesen holds a Ph.D. in protein chemistry from the University of Manitoba.

Pieter J. de Visser, Chief Financial Officer and Director

Mr. de Visser was the managing and founding partner of DeVisser Gray LLP, Chartered Professional Accountants, a Vancouver firm that has provided services to the mining community for 25 years. He currently acts as an advisor to the firm. Mr. de Visser has been a member of a technical advisory committee to the BC Securities Commission Mr. de Visser is a director of Camino Minerals Corporation (TSXV: COR) and was previously the Chief Financial Officer of Pretium Resources Inc. (TSX/NYSE: PVG). Mr. de Visser has also acted as Chief Financial Officer and Director of multiple TSXV-listed mining and life science companies. See “Other Reporting Issuer Experience”.

Mr. de Visser holds a Bachelor of Commerce degree from the University of British Columbia and is a Chartered Professional Accountant.

P. Marcus Enns, Director

Mr. Enns is the Vice President, Corporate Affairs of GVI, overseeing treasury activities and contract administration for the company and assisting in both private and public fundraising activities for GVI's client companies. Mr. Enns was previously a Vice President and Secretary of Miraculins Inc. (TSXV: MOM) (now Luminar Medical Technologies Inc.) and a Vice President of Kane Biotech Inc. (TSXV: KNE) and was involved with bringing each of these companies public in 2002 and 2003 respectively. Mr. Enns is currently the Chair of the Board of the Rosenort Credit Union. See “Other Reporting Issuer Experience”.

Marcus Enns obtained his Bachelor of Commerce (Hons.) degree from the University of Manitoba.

Hellen Siwanowicz –Director

Ms. Siwanowicz is a lawyer with over 25 years of business law experience. From 1991 to 2016, Ms. Siwanowicz practiced law at McMillan LLP and its predecessor, Lang Michener LLP, with an emphasis on securities law. Ms. Siwanowicz has significant experience advising public companies on corporate finance, mergers and acquisitions and corporate governance matters.

Ms. Siwanowicz holds Bachelor of Science and LL.B degrees from the University of Toronto.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director, officer or shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, within 10 years before the date of this Information Circular, has been, a director or executive officer of any corporation that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the relevant corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

(b) 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.

Penalties or Sanctions

No director, officer, insider or Promoter of the Resulting Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority relating to trading in securities, promotion or management of a publicly traded issuer or theft or fraud or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer, insider or Promoter of the Resulting Issuer, or a shareholder holding sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 individual.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, officers, insiders and Promoters of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. Some of the directors, officers, insiders and Promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the business of the Resulting Issuer. Accordingly, situations may arise where some or all of the directors, officers, insiders and Promoters will be in direct competition with the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the CBCA.

EXECUTIVE COMPENSATION

Except as set in Appendix "J" *Information Concerning the Resulting Issuer – Executive Compensation* and elsewhere in this Information Circular or otherwise permitted by Policy 2.4, until completion of the Amalgamation, no payment of any kind has been or will be made, directly or indirectly, by Buffalo to a Non-Arm's Length Party to Buffalo or a Non-Arm's Length Party to the Qualifying Transaction, or to any Person engaged in investor relations activities in respect of the securities of Buffalo by any means, including: (a) remuneration, which includes but is not limited to: (i) salaries; (ii) consulting fees; (iii) management contract fees or directors' fees; (iv) finders' fees; and (v) loans, advances, bonuses; and (b) deposits and similar payments.

However, Buffalo may reimburse Non-Arm's Length Parties for Buffalo's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursements**"). No reimbursement may be made for any payment made to lease or buy a vehicle. No payment other than the Permitted Reimbursements, will be made by the Resulting Issuer or by any party on behalf of the Resulting Issuer, after completion of the Amalgamation, if the payment relates to services rendered or obligations incurred or in connection with the Amalgamation. *Appendix "J" Information Concerning the Resulting Issuer – Executive Compensation.*

Equity Compensation Plan Information

The following table sets forth, as of the end of Buffalo's most recently completed financial year, certain information regarding equity compensation plans under which securities of Buffalo are authorized for issuance. Buffalo's only equity compensation plan is the Buffalo Option Plan.

Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)** [(1)]
Equity compensation plans approved by securityholders	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	300,000	$0.20	Nil
Total	300,000	$0.20	Nil

Note:

(1) The Buffalo Option Plan provides that the number of Buffalo Shares issuable pursuant to the Buffalo Option Plan shall be equal to 10% of the issued and outstanding Buffalo Shares at such time.

At the Buffalo Meeting, Buffalo Shareholders will be asked to pass an ordinary resolution that approves Buffalo's existing stock option plan as the Resulting Issuer's Option Plan should the Amalgamation be approved and completed and ratifies the Buffalo Option Plan should the Amalgamation not be approved. A copy of the stock option plan is attached hereto as Appendix E. *See "Matters to be Considered at the Meeting –Stock Option Plan".*

CORPORATE GOVERNANCE DISCLOSURE

Maintaining a high standard of corporate governance is a priority for the Buffalo Board and they believe that effective corporate governance will help create and maintain shareholder value in the long term. Set forth below is a description of Buffalo's current corporate governance practices, as prescribed by Form 58-101F2, which is attached to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). Following completion of the Amalgamation, it is anticipated that the Resulting Issuer's corporate governance practices will remain unchanged.

Board of Directors

The Board facilitates its exercise of independent supervision over Buffalo's management through frequent meetings of the Buffalo Board.

Independence of Directors

P. Marcus Enns and, if elected to the Buffalo Board, Hellen Siwanowicz will be "independent" in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the director's ability to act with the best interests of Buffalo, other than the interests and relationships arising from being shareholders.

Dr. Albert D. Friesen and Pieter J. de Visser are the Chief Executive Officer, Corporate Secretary and Chief Financial Officer, respectively, and therefore are not independent.

Directorships

The following table sets forth the names of each other reporting issuer for which each of the current directors of Buffalo and each of the individuals to be nominated for election as a director of Buffalo at the Buffalo Meeting serve as a director or officer as at the date of this notice and Information Circular.

Name of Director	Name of Other Reporting Issuer
Dr. Albert D. Friesen	Medicure Inc.
Pieter J. de Visser	Camino Minerals Corporation

Orientation and Continuing Education

The Buffalo Board briefs all new directors with respect to the policies of the Buffalo Board and other relevant corporate and business information. The Buffalo Board does not provide any continuing education, but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills required to meet their obligations as directors. In addition, the Buffalo Board undertakes strategic planning sessions with management.

Ethical Business Conduct

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

Nomination of Directors

The Buffalo Board is responsible for identifying individuals qualified to become new Buffalo Board members and recommending to the Buffalo Board new director nominees for the next annual meeting of Buffalo Shareholders. New nominees must have a track record in general business management, special expertise in an area of strategic interest to Buffalo, the ability to devote the required time, show support for Buffalo's mission and strategic objectives, and a willingness to serve.

Compensation

The board of the Resulting Issuer anticipates conducting reviews with regard to the compensation of the directors and senior officers once a year and to make recommendations on such compensation after taking into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies. At present, no compensation (other than the grant of incentive stock options) is paid to the directors of Buffalo in their capacity as directors. The Buffalo Board does not currently have a compensation committee.

Other Board Committees

The Board of Directors has no other committees other than the Audit Committee.

Assessments.

The Buffalo Board regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the Buffalo Board and its committees. The Buffalo Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

AUDIT COMMITTEE

National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") requires Buffalo, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor. Following completion of the Amalgamation, it is anticipated that the Audit Committee Charter and the composition of the Audit Committee will remain unchanged.

Audit Committee Charter

Buffalo's Audit Committee is governed by an audit committee charter, a copy of which is attached hereto as Appendix "F".

Composition of the Audit Committee

As of the date of this Information Circular, the following are the members of the Audit Committee:

Dr. Albert D. Friesen	Non-Independent	Financially Literate
Pieter J. de Visser	Non-Independent	Financially Literate
P. Marcus Enns	Independent	Financially Literate

Relevant Education and Experience

Albert D. Friesen, Chief Executive Officer, Corporate Secretary, Director and Promoter

Dr. Friesen is the President, Chief Executive Officer and a director of Medicure Inc. (TSXV: MPH), a specialty pharmaceutical company focused on the development and commercialization of therapeutics for the U.S. hospital market. Dr. Friesen is also the President and founder of GVI, a private company which provides the expertise for launching and managing emerging health and biotechnology ventures. Dr. Friesen has been involved with the founding and development of several other private and public health industry companies including: ABI Biotechnology Inc. (now Apotex Fermentation Inc.), a biotech company providing services in research, process development, scale-up and manufacturing of fermentation based products, including active pharmaceuticals and nutraceuticals; and the Winnipeg Rh Institute, where he led the development of Canada's first biotech product, WinRho. Dr. Friesen was a founder and the first Board of Director Chair of the Industrial Biotechnology Association of Canada (now BIOTECanada). See "Other Reporting Issuer Experience".

Dr. Friesen holds a Ph.D. in protein chemistry from the University of Manitoba.

Pieter J. de Visser, Chief Financial Officer and Director

Mr. de Visser was the managing and founding partner of DeVisser Gray LLP, Chartered Professional Accountants, a Vancouver firm that has provided services to the mining community for 25 years. He currently acts as an advisor to the firm. Mr. de Visser has been a member of a technical advisory committee to the BC Securities Commission. Mr. de Visser is a director of Camino Minerals Corporation (TSXV: COR) and was previously the Chief Financial Officer of Pretium Resources Inc. (TSX/NYSE: PVG). Mr. de Visser has also acted as Chief Financial Officer and Director of multiple TSXV-listed mining and life science companies. See "Other Reporting Issuer Experience".

Mr. de Visser holds a Bachelor of Commerce degree from the University of British Columbia and is a Chartered Professional Accountant.

P. Marcus Enns, Director

Mr. Enns is the Vice President, Corporate Affairs of GVI, overseeing treasury activities and contract administration for the company and assisting in both private and public fundraising activities for GVI's client companies. Mr. Enns was previously a Vice President and Secretary of Miraculins Inc. (TSXV: MOM) (now Luminar Medical Technologies Inc.) and a Vice President of Kane Biotech Inc. (TSXV: KNE) and was involved with bringing each of these companies public in 2002 and 2003 respectively. Mr. Enns is currently the Chair of the Board of the Rosenort Credit Union. See “Other Reporting Issuer Experience”.

Marcus Enns obtained his Bachelor of Commerce (Hons.) degree from the University of Manitoba.

Following completion of the Amalgamation, it is expected that the audit committee of the Resulting Issuer will be comprised of the following:

Pieter J. de Visser	Non-Independent	Financially Literate
P. Marcus Enns	Independent	Financially Literate
Hellen Siwanowicz	Independent	Financially Literate

Audit Committee Oversight

Since the commencement of Buffalo’s most recently completed financial year, the Buffalo Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of Buffalo’s most recently completed financial year, Buffalo has not relied on the exemptions contained in sections 2.4 or 8 of National Instrument 52-110. Section 2.4 (*De Minimis Non-audit Services)* provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 *(Exemptions)* permits a company to apply to a securities regulatory authority for an exemption from the requirements of National Instrument 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter under the heading “*Approval of Audit and Permitted Non-Audit Services by External Auditors*”.

External Auditor Service Fees

In the following table, “audit fees” are fees billed by Buffalo’s external auditor for services provided in auditing Buffalo’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit of Buffalo’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories. The aggregate fees billed by Buffalo’s external auditor since Buffalo’s inception, by category, are as set out in the table below:

Financial Period Ended ($)	Audit Fees ($)	Audit Related Fees ($)	Tax Fees ($)	All Other Fees ($)
December 31, 2016	3,250	-	-	-
January 31, 2017	3,250	-	-	-

Exemption

Buffalo is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that Buffalo, as a venture issuer, is not required to comply with Part 3 *(Composition of the Audit Committee)* and Part 5 *(Reporting Obligations)* of National Instrument 52-110.

APPENDIX "B"
ANNUAL RESOLUTIONS

Appointment of Auditors

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. if the Amalgamation as such term is defined in management information circular of Buffalo Capital Inc. (the "**Corporation**") dated August 28, 2017 (the "**Information Circular**") accompanying the notice of this meeting, is approved by the shareholders of the Corporation and completed, MNP LLP is hereby appointed to serve as auditors of the Corporation until the next annual meeting or until their successors are appointed by shareholders of the Corporation, and the board of directors of the Corporation be and is hereby authorized to fix the remuneration of MNP LLP as auditors of the Corporation;

2. if the Amalgamation, as such term is defined in the Information Circular accompanying the notice of this meeting, is not approved by the shareholders of the Corporation, MNP LLP is hereby appointed to serve as auditors of the Corporation until the next annual meeting or until their successors are appointed by shareholders of the Corporation, and the board of directors of the Corporation be and is hereby authorized to fix the remuneration of MNP LLP as auditors of the Corporation; and

3. any one director or officer of the Corporation be and is hereby authorized to execute and deliver, under corporate seal or otherwise, all such deeds, documents, instruments and assurances and to do all such acts and things as such person may deem necessary or desirable to carry out the terms of this resolution."

Approval of Stock Option Plan

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. if the Amalgamation, as such term is defined in Information Circular accompanying the notice of this meeting, is approved by the shareholders of the Corporation and completed, the stock option plan of the Corporation, a copy of which is attached as Schedule "E" to the Information Circular, be and the same is hereby ratified, confirmed and approved as the stock option plan of the Corporation;

2. if the Amalgamation, as such term is defined in the Information Circular accompanying the notice of this meeting, is not approved by the shareholders of the Corporation, the existing stock option plan of the Corporation is hereby ratified as the stock option plan of the Corporation;

3. any one director or officer of the Corporation be and is hereby authorized to amend the stock option plan of the Corporation should such amendments be desirable or required by applicable regulatory authorities including, but not limited to, the TSX Venture Exchange; and

4. any one director or officer of the Corporation be and is hereby authorized and directed to do all such things and to execute and deliver, under corporate seal or otherwise, all such deeds, documents, instruments and assurances, including stock exchange and securities commission forms, as may be necessary or desirable to carry out the terms of this resolution."

APPENDIX "C"
BUFFALO AMALGAMATION RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the amalgamation (the "**Amalgamation**") under Section 181 of the *Canada Business Corporations Act* (the "**Act**") involving Buffalo Capital Inc. ("**Buffalo**") and Waverley Pharma Inc. ("**Waverley**"), substantially as set out in the amalgamation agreement dated August 8, 2017 between Waverley and Buffalo (the "**Amalgamation Agreement**") is hereby authorized, approved and adopted;

2. the Amalgamation Agreement is hereby confirmed, ratified and approved;

3. notwithstanding that this resolution has been passed (and the Amalgamation adopted) by the shareholders of Buffalo, the directors of Buffalo are hereby authorized and empowered (a) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement, and (b) not to proceed with the Amalgamation without further notice to or approval of the Shareholders of Buffalo, but only if the Amalgamation Agreement is terminated in accordance with the terms of the Amalgamation Agreement; and

4. any officer or director of Buffalo is hereby authorized and directed for and on behalf of Buffalo to execute, under the corporate seal of Buffalo or otherwise, and to deliver articles of amalgamation, and such other documents as are necessary or desirable, to the Registrar under the Act in accordance with the Amalgamation Agreement for filing; and

5. any officer or director of Buffalo is hereby authorized and directed for and on behalf of Buffalo to execute or cause to be executed, under the seal of Buffalo or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the taking of any such act or thing."

APPENDIX "D"
AMALGAMATION AGREEMENT

BUFFALO CAPITAL INC.

AND

WAVERLEY PHARMA INC.

AMALGAMATION AGREEMENT

AUGUST 8, 2017

Table of Contents

Page

ARTICLE 7 TERM AND TERMINATION

ARTICLE 8 DISCLOSURE

ARTICLE 9 NOTICES

ARTICLE 10 GENERAL

AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is made and effective as of August 8, 2017.

BETWEEN:

BUFFALO CAPITAL INC., a body corporate, constituted under the federal laws of Canada ("**Buffalo**")

AND

WAVERLEY PHARMA INC., a body corporate, constituted under the federal laws of Canada ("**Waverley**")

RECITALS:

1. Buffalo is a CPC (as defined herein) trading on the TSXV (as defined herein).

2. Waverley is a private company active in the innovation, design and development of novel small molecule drugs for the pharmaceutical industry.

3. Buffalo and Waverley propose a business combination whereby Buffalo and Waverley will amalgamate under the CBCA (as defined herein) on the terms described in this Agreement and continue as one corporation.

4. The Amalgamation (as defined herein) is intended to be the Qualifying Transaction (as defined herein) for Buffalo.

NOW THEREFORE IN CONSIDERATION of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 ***Defined Terms.***

In this Agreement, unless the context otherwise requires:

(a) "**Agreement**" means this agreement, including the recitals and all Schedules to this agreement, as amended or supplemented from time to time, and "**hereby**", "**hereof**", "**herein**", "**hereunder**", "**herewith**" and similar terms refer to this Agreement and not to any particular provision of this Agreement;

(b) "**Amalco**" means the continuing amalgamated corporation following the Effective Time created by the Amalgamation;

(c) "**Amalco Shares**" means common shares in the capital of Amalco;

(d) “**Amalgamation**” means the amalgamation of Buffalo and Waverley under the provisions of Section 181 of the CBCA contemplated by this Agreement;

(e) “**Applicable Laws**” means applicable corporate and securities laws, regulations and rules, all policies thereunder and rules of applicable stock exchanges;

(f) “**Articles of Amalgamation**” means the articles of amalgamation in respect of the Amalgamation required under subsection 185(1) of the CBCA to be filed with the Director;

(g) **“Buffalo Amalgamation Resolution**” means the special resolution of Buffalo Shareholders, substantially in the form of the resolution set out in Schedule B, approving the Amalgamation, to be considered by Buffalo Shareholders at the Buffalo Meeting;

(h) “**Buffalo Assets**” means all of the assets and properties in which Buffalo holds a right, title or interest as at the date hereof;

(i) “**Buffalo Board**” means the board of directors of Buffalo;

(j) “**Buffalo Dissenting Shareholder**” means a registered Buffalo Shareholder, who, in connection with the Buffalo Amalgamation Resolution at the Buffalo Meeting which approves and adopts this Agreement, has exercised Dissent Rights with respect to such shareholder’s Buffalo Shares and whose Dissent Rights remain valid immediately before the Effective Time;

(k) “**Buffalo Escrow Agreement**” means the CPC escrow agreement among Buffalo, Computershare Investor Services Inc. and certain Buffalo Shareholders dated as of March 13, 2017;

(l) “**Buffalo Financial Statements**” means the audited annual financial statements of Buffalo as at and for the periods ended January 31, 2017 and December 31, 2016, together with the notes thereto and the auditor’s report thereon, and the unaudited interim financial statements of Buffalo as at and for the three month period ended March 31, 2017, together with the notes thereto;

(m) “**Buffalo Information**” means the information in the Information Circular describing Buffalo and its business, operations and affairs and includes any Buffalo Public Documents incorporated by reference in the Information Circular;

(n) “**Buffalo Meeting**” means the special meeting of Buffalo Shareholders, and any adjournments thereof, to consider and, if determined advisable, approve the Buffalo Amalgamation Resolution and other matters;

(o) “**Buffalo Option Plan**” means the stock option plan of Buffalo;

(p) “**Buffalo Options**” means the share purchase options exercisable into Buffalo Shares on the terms and conditions stated in each respective stock option agreement of Buffalo;

(q) “**Buffalo Public Documents**” means all documents or information filed by or on behalf of Buffalo in compliance with or intended compliance with Applicable Laws;

(r) “**Buffalo Shareholder**” means a holder of Buffalo Shares;

(s) “**Buffalo Shares**” means the common shares of Buffalo as constituted as at the date hereof;

(t) “**Business**” means all of the business and undertaking of Waverley and the Waverley Subsidiary and including, without limitation, the use and operation of the Waverley Assets;

(u) “**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Winnipeg for the transaction of banking business;

(v) “**CBCA**” means the *Canada Business Corporations Act*;

(w) “**Certificate of Amalgamation**” means the certificate to be issued by the Director pursuant to subsection 185(4) of the CBCA giving effect to the Amalgamation;

(x) “**Closing**” means the completion of the Amalgamation;

(y) “**Concurrent Financing**” means the brokered private placement financing of up to 10,000,000 Buffalo Shares at a price of $0.50 per share for aggregate gross proceeds of up to $5,000,000, or such other amount and price as may be determined by the Corporation and approved by the Exchange;

(z) “**CPC**” means a capital pool company under the policies of the TSXV;

(aa) “**Director**” means the Director appointed pursuant to Section 260 of the CBCA;

(bb) “**Dissent Rights**” means the rights of dissent in respect of the Amalgamation provided pursuant to Section 190(1) of the CBCA;

(cc) “**Drug Product**” means, collectively pemetrexed injections and bortezomib injections;

(dd) “**Effective Date**” means the effective date indicated upon the Certificate of Amalgamation;

(ee) “**Effective Time**” means 12:01 a.m. (Winnipeg Time) on the Effective Date;

(ff) “**Encumbrance**” includes, without limitation, any mortgage, pledge, assignment, charge, lien, security interest, claim, trust or royalty and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

(gg) “**Governmental Authority**” includes any federal, provincial, municipal or other political subdivision, government department, commission, board, bureau, agency or instrumentality, domestic or foreign;

(hh) "**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board;

(ii) "**Information Circular**" means the management information circular of Buffalo and all related materials to be sent by Buffalo to the Buffalo Shareholders in connection with the Buffalo Meeting and all amendments and supplements thereto, if any;

(jj) "**material**" means, where used in relation to Buffalo or Waverley, as the case may be, a fact, transaction or circumstance concerning the business, assets, rights, properties, condition (financial or otherwise), liabilities, capitalization, operations, prospects, or results of operations of Buffalo or Waverley, as the case may be, that: (i) would be reasonably likely to have a significant effect on the value of the Buffalo Shares or the Waverley Shares, as the case may be; or (ii) would prevent or materially delay completion of the Amalgamation in accordance with this Agreement;

(kk) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to any Person, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, assets, capitalization, financial condition, licenses, permits, concessions, rights, privileges, liabilities or prospects, whether contractual or otherwise, of such Person, other than any matter, action, effect or change relating to or resulting from: (i) a matter that has, prior to the date hereof, been publicly disclosed or disclosed to the other Party; (ii) conditions affecting the pharmaceutical industry as a whole; (iii) general economic, financial, currency exchange, securities or commodity market conditions in Canada; or (iv) any matter consented to, or that results from a matter that is consented to, in writing by the other Party hereto;

(ll) "**Misrepresentation**" includes any untrue statement of a material fact, any omission to state a material fact that is required to be stated and any omission to state a material fact that is necessary to be stated in order for a statement not to be misleading;

(mm) "**Parties**" means Buffalo and Waverley, and "**Party**" means any one of them;

(nn) "**Person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;

(oo) "**Qualifying Transaction**" has the meaning ascribed to that term in TSXV Policy 2.4 – *Capital Pool Companies*;

(pp) "**Subsidiary**" means, when used to indicate a relationship with another body corporate,

(i) a body corporate which is controlled by: (A) that other; or (B) that other and one or more bodies corporate, each of which is controlled by that other; or (C) two or more bodies corporate each of which is controlled by that other; or

(ii) a subsidiary of a body corporate that is the other's subsidiary;

(qq) "**Superior Proposal**" has the meaning ascribed thereto in Section 5.4 hereof;

(rr) "**Take-Over Proposal**" means, other than the transactions contemplated by this Agreement, any offer, proposal or inquiry (written or oral) from any Person or group of Persons other than the Parties to this Agreement (or any affiliate of the Parties to this Agreement) after the date of this Agreement relating to (i) any sale or disposition (or any lease or other arrangement having the same economic effect as a sale), direct or indirect (whether in a single transaction or a series of transactions), of assets representing 20% or more of the consolidated assets of a Party, or of 20% or more of the voting or equity securities of a Party, (ii) any take-over bid, exchange offer or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of a Party, (iii) any plan of arrangement, merger, amalgamation, consolidation, capital reduction, share exchange, business combination, reorganization, recapitalization, liquidation, receivership, dissolution or winding up involving a Party, (iv) any other similar transaction or series of transactions involving a Party, or (v) any transaction which affects, or could affect, prejudice or jeopardize the completion of the Amalgamation;

(ss) "**Tax Act**" means the *Income Tax Act* (Canada), RSC 1985 c1 (5^{th} supp), as amended, including the regulations promulgated thereunder;

(tt) "**Taxes**" means, with respect to any person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, goods and services taxes, harmonized sales taxes, customs duties or other taxes of any kind whatsoever imposed or charged by any governmental authority and any instalments in respect thereof, together with any tax indemnity obligation, interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not and "**Tax**" means any such Taxes;

(uu) "**Tax Returns**" means all returns, reports, declarations, elections, notices, filings, information returns, and statements in respect of Taxes that are required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form;

(vv) "**Territory**" means, collectively, the United States of America and its territories (Puerto Rico, Guam and the U.S. Virgin Islands), Canada and Europe (other than the United Kingdom);

(ww) "**TSXV**" means the TSX Venture Exchange;

(xx) "**Waverley Acquisition Agreement**" means the definitive agreement to be entered into between the Waverley Subsidiary and Reliance Life Sciences Private Limited pursuant to which Waverley will acquire an exclusive license to market, sell and distribute the Drug Product in the Territory and a non-exclusive license to market, sell and distribute the Drug Product in the United Kingdom, on substantially similar terms to those set forth in the Waverley Term Sheet;

(yy) "**Waverley Amalgamation Resolution**" means the special resolution of the Waverley Shareholder, substantially in the form of the resolution set out in Schedule C, approving the Amalgamation;

(zz) "**Waverley Assets**" means all of the assets and properties in which Waverley or the Waverley Subsidiary holds a right, title or interest as at the date hereof and includes, without limitation, its interest in the Drug Product;

(aaa) "**Waverley Convertible Securities**" means all options, warrants and any other rights to acquire securities of Waverley;

(bbb) "**Waverley Financial Statements**" means the annual financial statements of Waverley as at and for the years ended December 31, 2016 and December 31, 2015;

(ccc) "**Waverley Information**" means the information provided by Waverley for inclusion in the Information Circular describing Waverley and its business, operations and affairs;

(ddd) "**Waverley Shareholder**" means ADF Family Holding Corp.;

(eee) "**Waverley Shares**" means the Class A Common shares of Waverley as constituted on the date hereof;

(fff) "**Waverley Subsidiary**" means Waverley Pharma International Inc.; and

(ggg) **"Waverley Term Sheet"** means the binding term sheet dated July 5, 2017 between the Waverley Subsidiary and Reliance Life Sciences Private Limited.

Section 1.2 ***Rules of Interpretation.***

(a) The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

(b) Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph, clause, subclause or schedule by number or letter or both refer to the article, section, subsection, paragraph, clause, subclause or schedule, respectively, bearing that designation in this Agreement.

(c) In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include all genders.

(d) In the event that the date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

(e) References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

(f) Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.

(g) All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief).

(h) All references to the date of this Agreement, "the date hereof" or similar expressions or references shall mean August 8, 2017 except as is expressly provided herein.

(i) This Agreement, together with the agreements and documents herein and therein referred to, constitute the entire agreement among the parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the parties with respect to the subject matter hereof.

Section 1.3 ***Schedules.***

The following Schedules are included and form part of this Agreement:

Schedule A – Articles of Amalgamation
Schedule B – Buffalo Amalgamation Resolution
Schedule C – Waverley Amalgamation Resolution
Schedule D - Amalco Directors

ARTICLE 2
AMALGAMATION OF BUFFALO AND WAVERLEY

Section 2.1 ***General.***

Subject to the terms and conditions of this Agreement, each of the Parties hereto agrees to use its reasonable commercial efforts prior to the Effective Date to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or advisable to complete the transactions contemplated by this Agreement and the Amalgamation.

Section 2.2 ***Effect of Amalgamation.***

On the Effective Date:

(a) Buffalo and Waverley shall be amalgamated under the provisions of the CBCA and shall continue as one corporation;

(b) the property of each of Buffalo and Waverley shall continue to be the property of Amalco;

(c) Amalco shall continue to be liable for the obligations of each of Buffalo and Waverley;

(d) the Articles attached hereto as Schedule A shall be the articles of Amalco and the by-laws of Amalco shall be the by-laws of Buffalo until repealed, amended or altered;

(e) the share certificates evidencing Buffalo Shares shall cease to represent any claim upon or interest in Buffalo, but rather shall represent only the right of the holder of such Buffalo Shares to receive a certificate (or other evidence of ownership) representing Amalco Shares in denominations as determined in accordance with the terms of this Agreement and the Amalgamation;

(f) the share certificates evidencing Waverley Shares shall cease to represent any claim upon or interest in Waverley, but rather shall represent only the right of the holder of such Waverley Shares to receive a certificate (or other evidence of ownership) representing Amalco Shares in denominations as determined in accordance with the terms of this Agreement and the Amalgamation;

(g) any existing cause of action, claim or liability to prosecution with respect to either Buffalo or Waverley shall be unaffected;

(h) any civil, criminal or administrative action or proceeding pending by or against any of Buffalo and Waverley may be continued to be prosecuted by or against Amalco;

(i) any conviction against, or ruling, order or judgment in favour of or against any of Buffalo and Waverley may be enforced by or against Amalco; and

(j) the Articles of Amalgamation of Waverley and Buffalo shall be deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation shall be deemed to be the Certificate of Incorporation of Amalco.

Section 2.3 ***Certain Provisions Applicable to Amalco.***

(a) the name of Amalco shall be “Waverley Pharma Inc.” or such other name as may be determined by the Board of Directors of Amalco and accepted by the Director;

(b) the registered office of Amalco shall be the registered office of Waverley at the Effective Time;

(c) Amalco shall have a year end of December 31;

(d) the authorized share capital of Amalco shall consist of an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in series, without par value;

(e) there shall be no restrictions upon the right to transfer any shares of Amalco;

(f) there shall be no restriction on the business which Amalco may carry on;

(g) the directors of Amalco shall be the current directors of Buffalo as well as Hellen Siwanowicz, as more particularly described in Schedule D, each of whom will hold office until the first annual or general meeting of the shareholders of Amalco or until their successors are duly appointed or elected. The subsequent directors shall be elected each year thereafter as provided for in the by-laws of Amalco. The management and operation of the business and affairs of Amalco shall be under control of the board of directors of Amalco as it is constituted from time to time; and

(h) the auditor of Amalco shall be MNP LLP.

Section 2.4 ***Conversion of Share Capital.***

Subject to Section 2.9 and Section 3.3(e), on the Effective Date, the issued and outstanding Waverley Shares and Buffalo Shares shall be converted into issued and outstanding Amalco Shares as follows:

(a) each one (1) issued and outstanding Buffalo Share (other than Buffalo Shares held by Buffalo Dissenting Shareholders) shall be converted into one (1) issued, fully paid and non-assessable Amalco Share; and

(b) each one (1) issued and outstanding Waverley Share shall be converted into 400,000 issued, fully paid and non-assessable Amalco Shares,

such that, upon completion of the Amalgamation, former holders of Buffalo Shares will hold, in aggregate, 13,000,000 Amalco Shares representing approximately 24.53% of the outstanding Amalco Shares, assuming completion of the Concurrent Financing, and former holders of Waverley Shares will hold, in aggregate, 40,000,000 Amalco Shares representing approximately 75.47% of the outstanding Amalco Shares.

Section 2.5 ***Share Certificates.***

On the Effective Date:

(a) the registers of transfers of Buffalo Shares and Waverley Shares shall be closed;

(b) the Waverley Shareholder shall cease to be a holder of Waverley Shares and shall be deemed to be the registered holder of Amalco Shares to which it is entitled calculated in accordance with the provisions hereof;

(c) certificates (or other evidence of ownership) representing Amalco Shares issuable to the Waverley Shareholder pursuant to the Amalgamation will, as soon as practicable, but no later than ten (10) Business Days following the Effective Date, be delivered to the Waverley Shareholder;

(d) other than the Buffalo Dissenting Shareholders, the Buffalo Shareholders shall cease to be holders of Buffalo Shares and shall be deemed to be the registered holders of Amalco Shares to which they are entitled calculated in accordance with the provisions hereof; and

(e) certificates (or other evidence of ownership) representing Amalco Shares issuable to each Buffalo Shareholder pursuant to the Amalgamation will, as soon as practicable, but no later than ten (10) Business Days following the Effective Date, be delivered to such Buffalo Shareholder.

Section 2.6 ***Buffalo Options.***

The Parties agree, subject to all required regulatory approvals, including, but not limited to the approval of the TSXV, that pursuant to the terms of the agreements ("**Buffalo Option Agreements**") governing the Buffalo Options, holders of Buffalo Options shall, following consummation of the Amalgamation, be entitled to acquire, subject to the terms and conditions set forth in the Buffalo Option Agreements, one (1) Amalco Share in lieu of each one (1) Buffalo Share that would otherwise be issued pursuant to the terms of the Buffalo Option Agreements (or, if required, amend any Buffalo Option Agreements to give effect to this Section 2.6).

Section 2.7 ***Stated Capital.***

Upon the Amalgamation becoming effective, Amalco shall add to the stated capital account maintained in respect of the Amalco Shares an amount equal to the aggregate paid-up capital for purposes of the Tax Act of the Buffalo Shares immediately before the Effective Date plus the aggregate paid-up capital for purposes of the Tax Act of the Waverley Shares immediately before the Effective Date.

Section 2.8 ***Articles of Amalgamation and Filing.***

Subject to the provisions hereof, Waverley and Buffalo will jointly file, with the Director, the Articles of Amalgamation of Amalco and such other documents as may be required by the CBCA to give effect to the Amalgamation as contemplated herein on or before October 13, 2017 or such other later date as may be agreed to by the Parties.

Section 2.9 ***Fractional Shares.***

No fractional shares, or options or warrants exercisable for fractional shares, will be issued by Amalco. In lieu of any fractional entitlement, the number of Amalco Shares to be issued to each former Waverley Shareholder and Buffalo Shareholder, as applicable, shall be rounded up to the next greater whole number of Amalco Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Amalco Shares if the fractional entitlement is less than 0.5 and, in calculating such fractional interests, all Amalco Shares registered in the name of or beneficially held by such Waverley Shareholder or its nominee or Buffalo Shareholder or its nominee, as the case may be shall be aggregated.

Section 2.10 ***Dissenting Shareholders.***

(a) Each Buffalo Shareholder may exercise Dissent Rights in connection with the Amalgamation pursuant to and in the manner set forth in section 190 of the CBCA.

(b) Buffalo Shares which are held by Buffalo Dissenting Shareholders shall not be converted as prescribed by Section 2.5(d). However if a Buffalo Dissenting Shareholder fails to perfect or effectively withdraws its claim under section 190 of the CBCA or forfeits its right to make a claim under section 190 of the CBCA or if its rights as a Buffalo Shareholder are otherwise reinstated, such Buffalo Shareholder's shares shall thereupon be deemed to have been converted as of the Effective Date as prescribed by Section 2.5(d).

Section 2.11 ***Information Circular.***

Buffalo shall promptly prepare the Information Circular (setting forth, *inter alia*, the recommendation of the board of directors of Buffalo as set forth in Section 2.12) and the Parties shall, on a timely basis, use their reasonable commercial efforts to co-operate in the preparation of all other documents and filings and the seeking and obtaining of all consents, orders and approvals, including regulatory and judicial orders and approvals and other matters reasonably determined by Buffalo and Waverley to be necessary in connection with this Agreement and the Amalgamation. Each Party shall ensure that the Information Circular and other documents, filings, consents, orders and approvals contemplated by this Section 2.11 are prepared in compliance with, made and/or obtained in accordance with all Applicable Laws. Buffalo shall mail the Information Circular to its shareholders and to all other persons required by law with respect to the Buffalo Meeting all in accordance with Applicable Laws, the constating documents of Buffalo, and the requirements of any other regulatory authority having jurisdiction. The term "Information Circular" shall mean such proxy or other required information statement or circular, as the case may be, and all related materials at the time required to be mailed to the Buffalo Shareholders in connection with the Buffalo Meeting and all amendments or supplements thereto, if any. Buffalo and Waverley each shall use all reasonable commercial efforts to obtain and furnish the information required to be included in the Information Circular. The information to be provided by each of Buffalo and Waverley for use in the Information Circular, on both the date the Information Circular is first mailed to Buffalo Shareholders and on the date the Buffalo Meeting is held, shall not contain a Misrepresentation and will comply in all material respects with all Applicable Laws, and Buffalo and Waverley each agrees to correct promptly any such information provided by either of them for use in the Information Circular which has ceased to meet such standard. In any such event, Waverley and Buffalo shall prepare a supplement or amendment to the Information Circular or such application or other document, as required and as the case may be, and, if required, shall cause the same to be distributed to the Buffalo Shareholders and/or filed with the relevant securities authorities and/or other Governmental Authority after each Party and its respective legal counsel and advisors have had a reasonable opportunity to review and comment on all such documentation and all such documentation is in form and content reasonably satisfactory to each of the Parties as contemplated herein.

Section 2.12 ***Recommendation of the Buffalo Board of Directors.***

Buffalo represents and warrants to Waverley that its board of directors has unanimously determined that:

(a) the Amalgamation is fair from a financial point of view to the Buffalo Shareholders and is in the best interests of Buffalo and its shareholders; and

(b) the board of directors of Buffalo will unanimously recommend that Buffalo Shareholders vote in favour of the Amalgamation, which recommendation may not be withdrawn, modified or changed in any manner except as set forth herein.

Section 2.13 ***Recommendation of the Waverley Board of Directors.***

Waverley represents and warrants to Buffalo that its sole director has determined that:

(a) the Amalgamation is fair from a financial point of view to the Waverley Shareholder and is in the best interests of Waverley and its shareholder; and

(b) the sole director of Waverley will recommend that the Waverley Shareholder vote in favour of the Amalgamation, which recommendation may not be withdrawn, modified or changed in any manner except as set forth herein.

ARTICLE 3
CLOSING CONDITIONS

Section 3.1 ***Mutual Closing Conditions.***

The obligations of Buffalo and Waverley to complete the transactions contemplated herein are subject to the fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

(a) the Buffalo Amalgamation Resolution approving the Amalgamation shall have been passed by Buffalo Shareholders on or before October 13, 2017, in form and substance satisfactory to each of Buffalo and Waverley, acting reasonably;

(b) the Waverley Amalgamation Resolution approving the Amalgamation shall have been passed by the Waverley Shareholder on or before October 13, 2017, in form and substance satisfactory to each of Buffalo and Waverley, acting reasonably;

(c) the Articles of Amalgamation filed with the Director shall be in form and substance satisfactory to each of Waverley and Buffalo, acting reasonably;

(d) the Amalgamation and the issuance of the Amalco Shares to the Buffalo Shareholders and Waverley Shareholder shall have been conditionally approved by the TSXV as Buffalo's Qualifying Transaction on or before August 31, 2017 or such later date as may be agreed to by the Parties;

(e) the TSXV shall have conditionally approved the listing of the Amalco Shares;

(f) the Concurrent Financing shall have been completed;

(g) the Effective Date shall have occurred on or prior to October 13, 2017 or such other date as agreed to by the Parties in writing;

(h) there shall be no action taken under any existing applicable law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority or similar agency, that:

(i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Amalgamation or any other transactions contemplated herein; or

(ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated herein;

(i) Buffalo and Waverley shall have obtained all consents, approvals and authorizations (including, without limitation, all stock exchange, securities commission and other regulatory approvals) required or necessary in connection with the transactions contemplated herein on terms and conditions reasonably satisfactory to Buffalo and Waverley;

(j) Waverley shall have acquired all rights in the Drug Product to be acquired by it pursuant to the Waverley Term Sheet, as may be modified by the Waverley Acquisition Agreement; and

(k) such escrow agreements as may be required by the TSXV pursuant to the Amalgamation shall have been entered into.

The foregoing conditions are for the mutual benefit of Buffalo and Waverley and may be waived, in whole or in part, by Buffalo and Waverley together, at any time. If any of the said conditions precedent shall not be complied with or waived as aforesaid on or before the date required for the performance thereof, either of Buffalo and Waverley may, in addition to the other remedies it may have at law or in equity, terminate this Agreement in accordance with Section 7.2(b).

Section 3.2 ***Additional Conditions Precedent to the Obligations of Buffalo.***

The obligation of Buffalo to complete the transactions contemplated herein is subject to fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

(a) the representations and warranties made by Waverley in Section 4.2 shall be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which shall be true as of that date) and Waverley shall have provided to Buffalo a certificate of one officer of Waverley certifying as to such matters on the Effective Date and Buffalo shall have no knowledge to the contrary;

(b) Waverley shall have complied in all material respects with its covenants in this Agreement and Waverley shall have provided to Buffalo a certificate of one officer certifying as to such compliance as of the Effective Date and Buffalo shall have no actual knowledge to the contrary;

(c) before giving effect to the transactions contemplated by this Agreement, there shall have been no Material Adverse Change in respect of Waverley since the date hereof;

(d) Waverley shall have furnished Buffalo with:

(i) certified copies of the resolutions duly passed by the sole director of Waverley approving this Agreement and the consummation of the transactions contemplated hereby; and

(ii) certified copy of the Waverley Amalgamation Resolution, duly passed by the Waverley Shareholder;

(e) there shall be no more than 100 Waverley Shares issued and outstanding;

(f) there shall be no Waverley Convertible Securities outstanding; and

(g) the sole director of Waverley shall not have withdrawn, modified or changed any of his recommendations, approvals, resolutions or determinations referred to in Section 2.13.

The foregoing conditions precedent are for the benefit of Buffalo and may be waived, in whole or in part, by Buffalo in writing at any time. If any of the said conditions precedent shall not be complied with or waived by Buffalo on or before the date required for the performance thereof, Buffalo may, in addition to the other remedies it may have at law or equity, terminate this Agreement in accordance with Section 7.3.

Section 3.3 ***Additional Conditions Precedent to the Obligations of Waverley***

The obligation of Waverley to complete the transactions contemplated herein is subject to the fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

(a) the representations and warranties made by Buffalo in Section 4.1 shall be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which shall be true as of that date), and Buffalo shall have provided to Waverley a certificate of one officer of Buffalo certifying as to such matters on the Effective Date and Waverley shall have no actual knowledge to the contrary;

(b) Buffalo shall have complied in all material respects with its covenants in this Agreement and Buffalo shall have provided to Waverley a certificate of one officer of Buffalo certifying as to such compliance as of the Effective Date and Waverley shall have no actual knowledge to the contrary;

(c) before giving effect to the transactions contemplated by this Agreement, there shall have been no Material Adverse Change in respect of Buffalo since the date hereof;

(d) Buffalo shall have furnished Waverley with:

(i) certified copies of the resolutions duly passed by the board of directors of Buffalo approving this Agreement and the consummation of the transactions contemplated hereby and directing the submission of the Amalgamation for approval by Buffalo Shareholders and recommending that Buffalo Shareholders vote in favour of the Amalgamation; and

(ii) certified copies of the Buffalo Amalgamation Resolution, duly passed by not less than (i) $66^2/_3$% of the votes cast by a quorum of Buffalo Shareholders at the Buffalo Meeting; and (ii) a majority of the minority of the Buffalo Shareholders after excluding Buffalo Shares owned or controlled by Albert D. Friesen;

(e) the board of directors of Buffalo shall not have withdrawn, modified or changed any of its recommendations, approvals, resolutions or determinations referred to in Section 2.12; and

(f) holders of not greater than 10% of the outstanding Buffalo Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

The foregoing conditions precedent are for the benefit of Waverley and may be waived, in whole or in part, by Waverley in writing at any time. If any of the said conditions precedent shall not be complied with or waived by Waverley on or before the date required for the performance thereof, Waverley may, in addition to the other remedies it may have at law or equity, rescind and terminate this Agreement by written notice from Waverley to Buffalo pursuant to Section 7.4.

Section 3.4 ***Satisfaction of Conditions.***

The conditions precedent set out in Section 3.1, Section 3.2, and Section 3.3 will be conclusively deemed to have been satisfied, waived or released when the Certificate of Amalgamation is issued by the Director.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

Section 4.1 ***Representations and Warranties of Buffalo.***

Buffalo represents and warrants to Waverley that:

(a) Buffalo is duly organized and validly existing under the laws of the jurisdiction of its organization, has the capacity, power and authority to own or lease its property and assets and to carry on its business as now conducted by it;

(b) Buffalo has undertaken no business since the date of its incorporation, except as permitted by TSXV Policy 2.4 and does not own or have any interest in any asset or property of any kind, other than cash;

(c) Buffalo does not have any Subsidiaries;

(d) Buffalo is a “reporting issuer” as that term is defined under Applicable Securities Laws in each of the provinces of British Columbia, Alberta, Manitoba and Ontario and is in material compliance with all of its obligations as a reporting issuer in those jurisdictions, including those imposed pursuant to securities legislation, and the regulations and policies thereunder;

(e) Buffalo is in material compliance with all of the policies of the TSXV;

(f) Buffalo has all requisite corporate power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and, subject to the terms hereof, to perform its obligations hereunder and thereunder;

(g) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:

(i) result in the breach of or violate any term or provision of the articles, by-laws or governing documents of Buffalo;

(ii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which Buffalo is a party or by which it is bound or to which any of its property is subject;

(iii) result in the creation of any Encumbrance upon any of the Buffalo Assets;

(iv) give to any Person any material interest or right, including the right of purchase, termination, cancellation or acceleration under any agreement, instrument, license, permit or authority, to the "change of control" of Buffalo arising from the Amalgamation; or

(v) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to any of Buffalo, the Buffalo Shares or the Buffalo Assets;

except to the extent such results or occurrences as set forth in this Section 4.1(g) are not material;

(h) this Agreement has been duly authorized, executed and delivered by Buffalo and all documents to be executed and delivered by Buffalo pursuant hereto to Waverley shall be duly executed and delivered and this Agreement constitutes a legal, valid and binding obligation of Buffalo enforceable against it in accordance with its terms;

(i) Buffalo has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commission, financial advisory fees or other similar forms of compensation with respect to the transactions contemplated herein;

(j) there are no actions, suits, other legal, administrative or arbitration proceedings or government investigations commenced, or to the knowledge of Buffalo, contemplated, at law or in equity or before or by any court or other Governmental Authority and which involve or affect Buffalo or the Buffalo Assets, which is material and, to the best of the knowledge, information and belief of Buffalo, there are no grounds upon which any such actions, suits, proceedings, or investigations may be commenced with a reasonable likelihood of success;

(k) as of the date hereof, the authorized capital of Buffalo consists of an unlimited number of Buffalo Shares and an unlimited number of preferred shares, issuable in series. As of the date hereof, 3,000,000 Buffalo Shares are issued and outstanding and 500,000 Buffalo Shares are issuable pursuant to outstanding Buffalo Options;

(l) no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued Buffalo Shares or other securities of Buffalo, except for the Buffalo Options;

(m) the minute books of Buffalo are true and correct in all material respects and contain the minutes of all meetings and all resolutions of the directors and shareholders from its incorporation to the date hereof;

(n) the Buffalo Financial Statements have been prepared in accordance with IFRS applied on a basis consistent with that of prior periods (except as stated therein) and present fairly, in all material respects, the financial position of Buffalo, as of the dates provided therein and the results of its operations and the changes in financial position for the periods then ended in accordance with IFRS as at the dates thereof;

(o) no securities commission, stock exchange or similar regulatory authority has issued any order preventing or suspending trading of any securities of Buffalo and Buffalo is not in default of any requirement of Applicable Laws which is material;

(p) the information and statements set forth in the Buffalo Public Documents was true, correct and complete in all material respects and did not contain any Misrepresentation, as of their respective dates, and Buffalo has not filed any confidential material change reports which continue to be confidential;

(q) unless otherwise disclosed in the Buffalo Public Documents, since incorporation, Buffalo has:

   (i) not amended its articles, by-laws or other governing documents;

   (ii) not suffered any Material Adverse Change, financial or otherwise, in its business, condition (financial or otherwise), liabilities, capitalization or any occurrences or circumstances which have resulted or might reasonably be expected to result in a Material Adverse Change thereto;

   (iii) not made any change in its accounting principles and practices as theretofore applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained; and

   (iv) not incurred any material liabilities of any nature, whether accrued, contingent or otherwise or which would be required by IFRS to be reflected on the balance sheet of Buffalo;

(r) Buffalo is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, firm or corporation;

(s) Buffalo has made available to Waverley true and complete copies of all contracts that are material to Buffalo and to which it is a party, each of which is a valid and binding obligation of Buffalo, and to the knowledge of Buffalo, of the other party or parties thereto, enforceable in accordance with its terms and Buffalo has not terminated, cancelled, renewed or modified in any material respect, any terms or conditions of any material contracts and no proposal or discussions with third parties for such termination, cancellation, modification, amendment or waiver is ongoing. Such agreements do not contain any "change of control" provision, which would be triggered or affected by the transactions contemplated hereby. Except as disclosed to Waverley or Waverley's counsel in writing, Buffalo has performed in all material respects the obligations required to be performed by it and is entitled to all the benefits under such material contracts. Buffalo has not violated or breached, in any material respect, any terms or conditions of such material contracts and there exists no default or event of default or event, occurrence, condition or act, which with the giving of notice, lapse of time or the happening of any other event or condition, would become a default or event of default by Buffalo under any such material contract;

(t) Buffalo is not party to any agreement, written or oral, other than:

(i) this Agreement;

(ii) a transfer agent, registrar and dividend disbursing agent agreement dated as of December 16, 2016 between Buffalo and Computershare Investor Services Inc.;

(iii) an agency agreement dated as of April 20, 2017 between Buffalo and PI Financial Corp. in connection with the initial public offering of Buffalo;

(iv) the Buffalo Escrow Agreement; and

(v) agreements evidencing or governing the Buffalo Options;

(u) the information concerning Buffalo to be set forth in the Information Circular will contain no untrue statement of a material fact and will not omit to state a material fact that is required to be stated or that is necessary to make a statement therein not misleading in the light of the circumstances in which it will be made; and

(v) all of the data and information in respect of Buffalo and the Buffalo Assets provided or disclosed to Waverley or any of its officers, employees, agents or other representatives by or on behalf of Buffalo was and is accurate and correct in all material respects.

Section 4.2 ***Representations and Warranties of Waverley.***

Waverley represents and warrants to Buffalo that:

(a) Waverley and the Waverley Subsidiary are each duly organized and validly existing under the laws of the jurisdiction of its organization, have the capacity, power and authority to own or lease their property and assets and to carry on their business as now conducted by them;

(b) each of Waverley and the Waverley Subsidiary is duly qualified to carry on business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary, except where the failure to be so qualified is not material;

(c) Waverley does not have any Subsidiaries other than the Waverley Subsidiary and Waverley directly or indirectly beneficially owns all of the outstanding shares and other security interests in the Waverley Subsidiary and no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of the Waverley Subsidiary;

(d) Waverley and the Waverley Subsidiary have each complied with and are in compliance with all laws or regulations applicable to the operation of their respective businesses, including all Applicable Laws, except where failure to do so is not material and each of Waverley and the Waverley Subsidiary have all licenses, permits, orders or approvals of, and have made all required registrations with any government or regulatory body that are material to the conduct of their respective businesses;

(e) Waverley is not a "reporting issuer" and does not have equivalent status in any province or territory of Canada;

(f) no securities of Waverley are listed or posted for trading on any stock exchange;

(g) Waverley has all requisite corporate power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and, subject to the terms hereof, to perform its obligations hereunder and thereunder;

(h) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:

   (i) result in the breach of or violate any term or provision of the articles, by-laws or governing documents of Waverley;

   (ii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which Waverley or the Waverley Subsidiary is a party or by which either of them is bound or to which any of their property is subject;

   (iii) result in the creation of any Encumbrance upon any of the Waverley Assets;

(iv) give to any Person any material interest or right, including the right of purchase, termination, cancellation or acceleration under any agreement, instrument, license, permit or authority, to the "change of control" of Waverley arising from the Amalgamation; or

(v) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to any of Waverley, the Waverley Shares or the Waverley Assets,

except to the extent such results or occurrences as set forth in this Section 4.2(h) are not material;

(i) this Agreement has been duly authorized, executed and delivered by Waverley and all documents to be executed and delivered by Waverley pursuant hereto to Buffalo shall be duly executed and delivered and this Agreement constitutes a legal, valid and binding obligation of Waverley enforceable against it in accordance with its terms;

(j) Waverley has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commission, financial advisory fees or other similar forms of compensation with respect to the transactions contemplated herein;

(k) there are no actions, suits, other legal, administrative or arbitration proceedings or government investigations commenced, or to the knowledge of Waverley, contemplated, at law or in equity or before or by any court or other Governmental Authority and which involve or affect Waverley or the Waverley Assets, including, without limitation, the title to, or ownership of, the Waverley Assets, which is material and, to the best of the knowledge, information and belief of Waverley, there are no grounds upon which any such actions, suits, proceedings or investigations may be commenced with a reasonable likelihood of success;

(l) as of the date hereof the authorized capital of Waverley consists of an unlimited number of Waverley Shares, an unlimited number of Class B Common shares, an unlimited number of Class C Common shares, an unlimited number of Class D Common shares, an unlimited number of Class E Common shares, an unlimited number of Class F Common shares, an unlimited number of Class A Preference shares, an unlimited number of Class B Preference shares, an unlimited number of Class C Preference shares, an unlimited number of Class D Preference shares, an unlimited number of Class E Preference shares, an unlimited number of Class F Preference shares and an unlimited number of Class G Preference shares. As of the date hereof, 100 Waverley Shares and no other shares of Waverley are issued and outstanding;

(m) no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued Waverley Shares or other securities of Waverley;

(n) neither Waverley nor the Waverley Subsidiary has any agreements of any nature to acquire any Subsidiary, or to acquire or lease any other business operations out of the ordinary course;

(o) the minute books of Waverley are true and correct in all material respects and contain the minutes of all meetings and all resolutions of the directors and shareholders from the date of its incorporation to the date hereof;

(p) the Waverley Financial Statements have been prepared in accordance with IFRS applied on a basis consistent with that of prior periods, except as stated therein, and present fairly, in all material respects, the financial position of Waverley, as of the dates provided therein and the results of its operations and the changes in financial position for the periods then ended in accordance with IFRS as at the dates thereof;

(q) no securities commission or similar regulatory authority has issued any order preventing or suspending trading of any securities of Waverley and neither Waverley nor the Waverley Subsidiary is in default of any requirement of Applicable Laws which is material; and

(r) since December 31, 2016, Waverley has:

  (i) not amended its articles, by-laws or other governing documents;

  (ii) not disposed of any property or assets of Waverley or the Waverley Subsidiary out of the ordinary course of business;

  (iii) conducted its Business in all material respects in the usual, ordinary and regular course and consistent with past practice;

  (iv) not suffered any Material Adverse Change, financial or otherwise, in its Business, assets, rights, properties, condition (financial or otherwise), liabilities, capitalization, operations, prospects or results of operation or any occurrences or circumstances which have resulted or might reasonably be expected to result in a Material Adverse Change thereto;

  (v) not made any change in its accounting principles and practices as theretofore applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained;

  (vi) not issued any guarantees or made any commitments outside the normal course of business other than as disclosed elsewhere in this Agreement or in writing to Buffalo prior to the date hereof; and

  (vii) not incurred any material liabilities of any nature, whether accrued, contingent or otherwise or which would be required by IFRS to be reflected on the balance sheet of Waverley;

(s) Waverley has conducted and is conducting its Business in accordance with good practices and in compliance in all material respects with all Applicable Laws, and, in particular, all applicable licensing legislation, regulations or by-laws or other lawful requirements of any Governmental Authorities applicable to Waverley and the Waverley Subsidiary of each jurisdiction in which it carries on business and holds all licences, registrations and qualifications material to its business and assets in all jurisdictions in which it carries on business or which are necessary or desirable to carry on the business of Waverley, as now conducted, and none of such licences, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any Material Adverse Effect on Waverley;

(t) Waverley has made available to Buffalo all information that is material to the determination of the value of Waverley's interest in the Drug Product, none of which information contained a Misrepresentation and Waverley has no knowledge of any Material Adverse Change to its rights to the Drug Product except as otherwise disclosed in writing by Waverley to Buffalo;

(u) although Waverley does not warrant title, to the best knowledge of Waverley, the Waverley Assets are free and clear of all Encumbrances and other than those encumbrances which do not and will not have a Material Adverse Effect on the ownership or operation or such assets and properties ("**permitted encumbrances**") and other than permitted encumbrances, none of them has done any act or suffered or permitted any action to be done whereby any Person has acquired or may acquire an interest in or to such material properties or assets, nor have any of them done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of such material properties or assets;

(v) Waverley is not aware of any defects, failures or impairments in the interest of Waverley or the Waverley Subsidiary, as the case may be, to the Waverley Assets, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any Person, which in aggregate could have a Material Adverse Effect on Waverley, the Business or the Waverley Assets and Waverley has made available to Buffalo all documents and agreements in its possession affecting the interest of Waverley or the Waverley Subsidiary to the Waverley Assets;

(w) Waverley and the Waverley Subsidiary has duly filed in proper form and on a timely basis all material Tax Returns required to be filed by it and has paid all Taxes which are due and payable, and has paid all assessments and reassessments, and all other Taxes, governmental charges, penalties, interest and fines due and payable on or before the date hereof, in each case, of a material nature; adequate provision has been made for Taxes payable for the current period for which Tax Returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any Tax Return, or payment of any Tax, governmental charge or deficiency, by Waverley or any Waverley Subsidiary; to the knowledge of Waverley, there are no material actions, suits, proceedings, investigations or claims now threatened or pending against Waverley or any Waverley Subsidiary in respect of Taxes, governmental charges or assessments, or any matters under discussion with any governmental authority relating to Taxes, governmental charges or assessments asserted by any such authority;

(x) all filings made by Waverley under which it has received or is entitled to government incentives, have been made in accordance, in all material respects, with all applicable legislation, contain no Misrepresentation which could cause any amount previously paid to such corporation or previously accrued on the accounts thereof to be recovered or disallowed;

(y) other than the employment and consulting agreements currently in existence with certain employees and consultants of Waverley which have been provided or made available to Buffalo, Waverley is not a party to any written contract of employment or collective bargaining agreement and there are no currently existing employment benefit plans, arrangements or agreements, vacation entitlements, to which Waverley is a party or by which it is bound;

(z) Waverley is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, firm or corporation;

(aa) all of the data and information in respect of Waverley and the Waverley Assets provided or disclosed to Buffalo or any of its officers, employees, agents or other representatives by or on behalf of Waverley was and is accurate and correct in all material respects;

(bb) Waverley and the Waverley Subsidiary, as applicable, has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by Waverley or a Waverley Subsidiary, as applicable, under any agreement pertaining to Waverley Assets which would be material; and

(cc) Waverley has made available true and complete copies of all contracts that are material to Waverley and the Business and to which it or the Waverley Subsidiary is a party, each of which is a valid and binding obligation of Waverley or the Waverley Subsidiary, as applicable, and to the knowledge of Waverley, of the other party or parties thereto, enforceable in accordance with its terms and neither Waverley nor the Waverley Subsidiary has terminated, cancelled, renewed or modified in any material respect, any terms or conditions of any material contracts and no proposal or discussions with third parties for such termination, cancellation, modification, amendment or waiver is ongoing. Except as disclosed to Buffalo or Buffalo's counsel in writing, Waverley or the Waverley Subsidiary, as applicable, has performed in all material respects the obligations required to be performed by it and is entitled to all the benefits under such material contracts. Neither Waverley nor the Waverley Subsidiary has violated or breached, in any material respect, any terms or conditions of such material contracts and there exists no default or event of default or event, occurrence, condition or act, which with the giving of notice, lapse of time or the happening of any other event or condition, would become a default or event of default by Waverley or the Waverley

Subsidiary, as applicable, under any such material contract, subject to obtaining any required consents to the "change of control" of Waverley arising pursuant to the Amalgamation.

Section 4.3 ***Survival of Representations and Warranties***

The representations and warranties of each Party contained in this Agreement shall not survive the completion of the Amalgamation and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 5
COVENANTS OF BUFFALO

Section 5.1 ***Covenants of Buffalo***

Buffalo covenants and agrees that, until the earlier of the Effective Date or the date on which this Agreement is terminated and unless otherwise contemplated herein:

(a) other than as approved by Waverley in writing, Buffalo will not directly or indirectly, do or permit to occur, any of the following:

(i) other than pursuant to the Concurrent Financing, issue, sell, pledge, lease, dispose of, encumber or agree to issue, sell, pledge, lease, dispose of or encumber any additional shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares or other securities of, any capital stock or other securities of Buffalo;

(ii) split, combine or reclassify any outstanding shares or declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to any shares;

(iii) redeem, purchase or offer to purchase any Buffalo Shares or other securities of Buffalo;

(iv) reorganize, amalgamate, arrange or merge Buffalo with any other Person;

(v) make any expenditures, other than in connection with Applicable Laws and TSXV policies and the completion of the Amalgamation;

(vi) enter into any contracts, other than in connection with the Amalgamation;

(vii) incur or commit to incur any indebtedness for borrowed money or issue any debt securities;

(viii) enter into any transaction not in the ordinary course of business or pay any dividends or make any distributions to the Buffalo Shareholders;

(ix) conduct any activity or operations that would be otherwise detrimental to the completion of the Amalgamation or against the policies of the TSXV relating to permitted conduct of a CPC;

(x) disclose to any Person other than officers, directors, key employees and professional advisors of Buffalo, any confidential information relating to Waverley, except for disclosure required to be disclosed by law or otherwise known to Buffalo or the public;

(xi) take any action that would render, or that reasonably may be expected to render, any material representation or warranty made by it in this Agreement untrue at any time prior to the Amalgamation becoming effective; and

(xii) except as may be required by law including, without limitation, the policies of the TSXV, or to secure any approvals, consents or authorizations necessary to carry out the transactions contemplated by this Agreement, issue any public statements with respect to the transactions contemplated by this Agreement without the prior consent and approval of Waverley provided that the Parties agree that this Agreement may be attached to a material change report.

(b) Buffalo shall:

(i) use its reasonable commercial efforts to fulfil or cause the fulfillment of the conditions set forth in Section 3.1 and Section 3.3 as soon as reasonably possible to the extent the fulfillment of the same is within the control of Buffalo;

(ii) other than amounts owing to the TSXV as a result of the transactions contemplated by this Agreement, have no debt or liabilities and the Buffalo Assets shall consist only of cash;

(iii) provide to Waverley reports on its affairs as may be reasonably requested from time to time by Waverley;

(iv) cooperate with Waverley to enable an orderly integration of the business and affairs of Buffalo and Waverley after the Effective Date;

(v) promptly notify Waverley orally and in writing of any Material Adverse Change of Buffalo, and of any material governmental or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated) which is material to Buffalo;

(vi) make available and cause to be made available to Waverley, its agents and advisors, as Waverley may reasonably request, all documents and agreements (including without limitation, any correspondence between Buffalo and its advisors or any governmental body and all minute books) and access to Buffalo's records in any way relating to or affecting the financial status of Buffalo and such other documents or agreements as may be necessary to enable Waverley to verify the truth of the representations and warranties of Buffalo herein and compliance by Buffalo with the terms and conditions hereof, except where Buffalo is contractually precluded from making such document or agreement available, and cooperate with Waverley in securing access for Waverley to any such documentation not in the possession or under the control of Buffalo;

(vii) conduct the Buffalo Meeting in compliance with the by-laws of Buffalo and any instrument governing such meeting, and as otherwise required by Applicable Laws;

(viii) Buffalo will assist Waverley in preparing and will file and distribute to Buffalo Shareholders in a timely and expeditious manner, the Information Circular and any amendments or supplements thereto, all as required by law, in all jurisdictions where the same is required, complying in all material respects with all Applicable Laws and, without limiting the generality of the foregoing, Buffalo will ensure that the Information Circular provides Buffalo Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, and will set out Waverley Information in the Information Circular in the form approved by Waverley;

(ix) except for proxies and other non-substantive communications with Buffalo Shareholders, furnish promptly to Waverley a copy of each notice, report, schedule or other document delivered, filed or received by Buffalo in connection with the Amalgamation, any filings under Applicable Laws and any dealings with regulatory agencies in connection with the transactions contemplated herein; make other necessary filings and applications under Applicable Laws required on the part of Buffalo in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such laws and regulations

(x) make other necessary filings and applications under Applicable Laws required on the part of Buffalo in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such laws and regulations; and

(xi) will use its reasonable commercial efforts to conduct its affairs so that all of Buffalo's representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made thereon.

Section 5.2 ***Non-Solicitation***

Subject to the provisions of Section 5.3 and Section 5.4, Buffalo shall not, directly or indirectly, through officers, directors, affiliates, representatives, advisors, agents, investment bankers, consultants or otherwise, take any action to solicit, initiate, encourage, or participate in any discussions or negotiations with any Person, provide any non-public information to any Person or otherwise assist or cause or facilitate anyone else to solicit, initiate, encourage, or participate in any discussions or negotiations with any Person, or provide any non-public information to any Person or otherwise assist with respect to: (A) any transaction that may constitute a Take-over Proposal; or (B) any other transaction, the consummation of which would, or could reasonably be expected to, impede, interfere with, prevent or delay the transactions contemplated by this Agreement or which would or could reasonably be expected to reduce the benefits to Waverley under this Agreement and will not waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive or otherwise forbear in respect of, any rights or other benefits of Buffalo under confidentiality agreements, including, without limitation, any standstill provisions thereunder; provided, however, that subject to Section 5.3 and Section 5.4 hereof, the Buffalo Board may consider, negotiate, accept, approve or recommend to its shareholders, or enter into an agreement, understanding or arrangement in respect of, an unsolicited Superior Proposal.

Section 5.3 ***Recommending Superior Proposal to Buffalo Shareholders***

Prior to considering, negotiating, accepting, approving or recommending to the Buffalo Shareholders or entering into an agreement, understanding or arrangement in respect of, an unsolicited Superior Proposal, Buffalo shall:

(a) advise Waverley in writing of the existence and terms of any such offer or proposal and provide copies thereof as soon as reasonably possible following receipt thereof by Buffalo;

(b) provide copies of any information provided to such other party, which has not already been made available to Waverley; and

(c) if requested by Waverley, prior to accepting, recommending, approving or entering into any agreement to implement the Superior Proposal, to negotiate in good faith with Waverley and its legal and financial advisors for a period of up to three (3) Business Days in a manner to permit Waverley to make such adjustments in the terms and conditions of this Agreement as may be necessary or advisable in order to enable Buffalo to proceed with the Amalgamation as amended rather than the Superior Proposal. In the event that Waverley proposed to so amend this Agreement to provide substantially equivalent or superior value to that provided under the Superior Proposal, Buffalo shall not accept, recommend, approve or enter into any agreement to implement the Superior Proposal.

Section 5.4 ***Superior Proposal***

Subject to Section 5.3 hereof, if prior to the completion of the Amalgamation, a bona fide Take-Over Proposal is proposed, offered or made to the Buffalo Shareholders or to Buffalo which, in the bona fide opinion of the Buffalo Board would result in a financially superior transaction, directly or indirectly, for the Buffalo Shareholders than that contemplated by the Amalgamation (any such Take-Over Proposal being referred to herein as a "**Superior Proposal**"), the board of directors of Buffalo may withdraw, modify or change its approval of the Amalgamation if, in the opinion of such Buffalo Board, acting reasonably and upon the written advice of its legal counsel, such withdrawal, modification or change is required or would be consistent with the fiduciary duties of the Buffalo Board under Applicable Laws.

Section 5.5 ***Indemnification of Waverley***

Buffalo shall indemnify and save harmless Waverley and the directors, officers and agents of Waverley from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Waverley, or any director, officer or agent thereof, may be subject or which Waverley, or any director, officer or agent thereof, may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of any Misrepresentation or alleged Misrepresentation in Buffalo Information contained or incorporated by reference in the Information Circular or as a result of accepting a Superior Proposal.

ARTICLE 6
COVENANTS OF WAVERLEY

Section 6.1 *Covenants of Waverley*

Waverley covenants and agrees that, until the earlier of the Effective Date or the date on which this Agreement is terminated, and unless otherwise contemplated herein:

(a) other than as otherwise approved by Buffalo in writing, Waverley will not directly or indirectly, do or permit to occur, any of the following:

(i) amend or propose to amend its articles or by-laws;

(ii) conduct any activity or operations that would be detrimental to the completion of the Amalgamation;

(iii) split, combine or reclassify any outstanding shares or declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to any shares;

(iv) redeem, purchase or offer to purchase any Waverley Shares or other securities of Waverley;

(v) reduce the stated capital of Waverley;

(vi) take any action that would render, or that reasonably may be expected to render, any material representation or warranty made by it in this Agreement untrue at any time prior to the Amalgamation becoming effective unless as otherwise contemplated herein; and will not pay any dividends or make any other distribution to its shareholders or repay, other than in the ordinary course of business, any outstanding indebtedness;

(vii) disclose to any Person, other than officers, directors and key employees and professional advisors of Waverley, any confidential information relating to Buffalo required to be disclosed by law or otherwise known to Waverley or the public; or

(viii) except as may be required by law or to secure any approvals, consents or authorizations necessary to carry out the transactions contemplated by this Agreement, issue any public statements with respect to the transactions contemplated by this Agreement without the prior consent and approval of

Buffalo provided that the parties agree that this Agreement may be provided to the Exchange and attached to a material change report.

(b) Waverley shall:

(i) use its reasonable commercial efforts to fulfil or cause the fulfilment of the conditions set forth in Section 3.1 and Section 3.2 as soon as reasonably possible to the extent the fulfilment of the same is within the control of Waverley;

(ii) not take any action which may reasonably be expected to result in a Material Adverse Change of Waverley;

(iii) use its reasonable commercial efforts to preserve intact the business organization and goodwill of Waverley, to keep available the services of the officers and employees of Waverley as a group and to maintain satisfactory relationships with suppliers, distributors, customers and others having business relationships with Waverley;

(iv) promptly notify Buffalo orally and in writing of any Material Adverse Change of Waverley, and of any material governmental or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated) which may have a Material Adverse Effect, financial or otherwise, on the business, financial condition, assets, properties, liabilities or operations of Waverley or any Waverley Subsidiary;

(v) Waverley will assist in the preparation (in consultation with Buffalo) of the Information Circular and provide to Buffalo, in a timely and expeditious manner, all information as may be required by Applicable Law with respect to Waverley for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with all applicable legal requirements on the date of issue thereof and to enable Buffalo to meet the appropriate standard with respect to Waverley;

(vi) make available and cause to be made available to Buffalo, its agents and advisors, as Buffalo may request, all documents and agreements (including without limitation, any correspondence between Waverley and its advisors or any governmental body and all minute books) and access to the premises of Waverley, records, computer systems and employees in any way relating to or affecting the Waverley Assets or the financial status of Waverley and such other documents or agreements as may be necessary to enable Buffalo to verify the truth of the representations and warranties of Waverley herein and compliance by Waverley with the terms and conditions hereof, except where Waverley is contractually precluded from making such document or agreement available, and cooperate with Buffalo in securing access for Buffalo to any such documentation not in the possession or under the control of Waverley; and

(vii) use its reasonable commercial efforts to conduct its affairs so that all of the representations and warranties of Waverley contained herein, shall be true and correct on and as of the Effective Date as if made thereon.

Section 6.2 ***Indemnification of Buffalo***

(a) Waverley shall indemnify and save harmless Buffalo and the directors, officers and agents of Buffalo from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Buffalo, or any director, officer or agent thereof, may be subject or which Buffalo, or any director, officer or agent thereof, may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of any Misrepresentation or alleged Misrepresentation in Waverley Information contained or incorporated by reference in the Information Circular.

(b) Waverley further covenants and agrees that all rights to indemnification existing in favour of present and former directors and officers of Buffalo as provided by contract, in Buffalo's articles, in Buffalo's by-laws or pursuant to Applicable Laws in effect as of the date of this Agreement, or otherwise, with respect to matters occurring prior to the Effective Time, shall survive and shall continue in full force and effect without modification for a period of not less than the statutes of limitations applicable to such matters.

ARTICLE 7
TERM AND TERMINATION

Section 7.1 ***Term.***

This Agreement shall be effective from the date hereof until the earlier of the Effective Date and the termination of this Agreement in accordance with its terms.

Section 7.2 ***Mutual Termination.***

This Agreement may, prior to the Effective Time, be terminated:

(a) by mutual written agreement of Buffalo and Waverley;

(b) by either Buffalo or Waverley if any of the conditions precedent set forth in Section 3.1 is not satisfied on the date specified therein, provided that a Party may not terminate this Agreement pursuant to this Section 7.2(b) if the failure to satisfy a condition in Section 3.1 has been caused by, or is a result of, a material breach by a Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement; or

(c) by either Buffalo or Waverley if the Effective Time does not occur on or prior to October 31, 2017, provided that a Party may not terminate this Agreement pursuant to this Section 7.2(c) if the failure of the Effective Time to so occur has been caused by, or is a result of, a material breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement.

Section 7.3 ***Termination by Buffalo.***

Notwithstanding any other rights contained herein, Buffalo may terminate this Agreement provided that it is not materially in default of any of its representations, warranties or covenants under this agreement, upon notice to Waverley, if:

(a) any of the conditions precedent set forth in Section 3.2 is not satisfied on the date specified therein;

(b) a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of Waverley under this Agreement occurs and (i) such breach or failure to perform has not been cured within five (5) Business Days from the date the breach or failure to perform is first discovered, or (ii) if the breach or non-performance is incapable of being cured (and provided that Buffalo had no knowledge at the date of this Agreement of any breaches of covenants or inaccuracies of representations and warranties, and further provided that any intentional breach by Waverley shall be deemed to be incurable); or

(c) prior to the approval of the Buffalo Amalgamation Resolution, the Buffalo Board authorizes Buffalo to enter into a written agreement with respect to a Superior Proposal, provided Buffalo is then in compliance with Section 5.2, Section 5.3 and Section 5.4.

Section 7.4 ***Termination by Waverley.***

Notwithstanding any other rights contained herein, Waverley may terminate this Agreement provided that it is not materially in default of any of its representations, warranties or covenants under this Agreement, upon notice to Buffalo, if:

(a) any of the conditions precedent set forth in Section 3.3 is not satisfied on the date specified therein; or

(b) a material breach of any representation or warranty or failure to perform any covenant or agreement on the part of Buffalo under this Agreement occurs and (i) such breach or failure to perform has not been cured within five (5) Business Days from the date the breach or failure to perform is first discovered, or (ii) if the breach or non-performance is incapable of being cured (and provided that Waverley had no knowledge at the date of this Agreement of any breaches of covenants or inaccuracies of representations and warranties, and further provided that any intentional breach by Buffalo shall be deemed to be incurable).

Section 7.5 ***Effect of Termination.***

If this Agreement is terminated pursuant to Section 7.1, Section 7.2, Section 7.3, or Section 7.4, this Agreement shall become void and of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to the other

Party, except that in the event of termination, this Section 7.5 through to and including Section 10.11 shall survive, and provided further that no Party shall be relieved of any liability for any wilful breach by it of this Agreement. As used in this section, “willful breach” means a breach that is a consequence of an act undertaken by the breaching party with the actual knowledge that the taking of such act would, or would be reasonably expected to, cause a breach of this Agreement.

ARTICLE 8
DISCLOSURE

Section 8.1 ***Disclosure***

Upon execution of this Agreement, the Parties shall issue a joint press release which announces that the Parties have entered into a formal agreement providing for the implementation of the Amalgamation. No Party shall disclose, by press release, any aspect of the transactions contemplated hereby, without prior written consent of the other Party. Notwithstanding the foregoing, if either Party is required by law or administrative regulation to make any disclosure relating to the transactions contemplated herein, such disclosure may be made, but that Party will inform, to the extent reasonably feasible, the other Party as to the wording of such disclosure prior to its being made.

ARTICLE 9
NOTICES

Section 9.1 ***General.***

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to any other Party shall be in writing and may be given by delivering same or sending same by facsimile or email transmission or by hand delivery addressed to the Party to whom the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day and, if not, the next succeeding Business Day) and if sent by facsimile or email transmission be deemed to have been given and received at the time of receipt unless actually received after 4:00 p.m. at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day.

Section 9.2 ***Address for Notices.***

The address for service of each of the Parties shall be as follows:

if to Buffalo:

Buffalo Capital Inc.
4 – 1250 Waverley Street
Winnipeg, Manitoba R3T 6C6
Fax No.: (204) 453-1370
Email: albertfriesen@copuserv.com
Attention: Albert Friesen

with a copy to:

Pushor Mitchell LLP
301, 1665 Ellis Street
Kelowna, British Columbia V1Y 2B3
Fax No.: (250) 762-9115
Email: inman@pushormitchell.com
Attention: Keith Inman

if to Waverley:

Waverley Pharma Inc.
4 – 1250 Waverley Street
Winnipeg, Manitoba R3T 6C6
Fax No.: (204) 453-1370
Email: albertfriesen@copuserv.com
Attention: Albert Friesen

with a copy to:

Field LLP
Suite 400, 444 7th Avenue S.W.
Calgary, Alberta T2P 0X8
Fax Number: (403) 264-7084
Email: pyates@fieldlaw.com
Attention: Peter Yates

ARTICLE 10
GENERAL

Section 10.1 ***Amendments.***

This Agreement may, at any time and from time to time before or after the date of approval of the Buffalo Amalgamation Resolution or the Waverley Amalgamation Resolution, as applicable, be amended by written agreement of the Parties without further notice to or authorization on the part of their respective securityholders, and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation, term or provision contained herein or in any document delivered pursuant hereto; or

(c) waive compliance with or modify any of the covenants or conditions herein contained and waive or modify performance of any of the obligations of the Parties;

provided that any such amendment may not reduce or materially adversely affect the consideration to be received by the Buffalo Shareholders and the Waverley Shareholder pursuant to the Amalgamation.

Section 10.2 ***Costs.***

Except as contemplated herein, each Party hereto covenants and agrees to bear its own costs and expenses in connection with the transactions contemplated hereby.

Section 10.3 ***Time.***

Time shall be of the essence in this Agreement.

Section 10.4 ***Entire Agreement.***

This Agreement, from the date hereof, constitutes the entire agreement and supersedes all other prior agreements and undertakings, both written and oral, among the Parties with respect to the subject matter hereof and is not intended to confer upon any other Person any rights or remedies hereunder.

Section 10.5 ***Severability.***

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

(a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and

(b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

Section 10.6 ***Further Assurances.***

Each Party shall, from time to time, and at all times hereafter, at the request of the other Party, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

Section 10.7 ***Governing Law.***

This Agreement shall be governed by, and be construed in accordance with the laws of the Province of British Columbia and applicable laws of Canada but the reference to such laws shall not, by conflict of laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of British Columbia. Each Party hereby irrevocably attorns to the jurisdiction of the Courts of the Province of British Columbia in respect of all matters arising under or in relation to this Agreement.

Section 10.8 ***Execution in Counterpart.***

This Agreement may be executed in identical counterparts, each of which is and is hereby conclusively deemed to be an original and counterparts collectively are to be conclusively deemed one instrument.

Section 10.9 ***Electronic Transmission***

Electronic transmission of an executed counterpart of this Agreement and any amendment, supplement or restatement to or of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

Section 10.10 ***Waiver.***

No waiver by any Party shall be effective unless in writing and any waiver shall affect only the matter, and the occurrence thereof, specifically identified and shall not extend to any other matter or occurrence.

Section 10.11 ***Enurement and Assignment.***

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and assigns. This Agreement may not be assigned by any Party without the prior consent of the other Party.

[***THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK***]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

BUFFALO CAPITAL INC.

Per: (signed) "*Marcus Enns*"
Marcus Enns
Director

WAVERLEY PHARMA INC.

Per: (signed) "*Albert D. Friesen* "
Albert D. Friesen
Director

SCHEDULE A

ARTICLES OF AMALGAMATION AND BY-LAWS OF AMALCO

FORM 9

ARTICLES OF AMALGAMATION
(Section 185)

1 - Corporate name of the amalgamated corporation
WAVERLEY PHARMA INC.
2 – The province or territory in Canada where the registered office is situated (do not indicate the full address)
BRITISH COLUMBIA
3 – The classes and any maximum number of shares that the corporation is authorized to issue
SCHEDULE "A" ATTACHED
4 – Restrictions, if any, on share transfers
NONE
5 – Minimum and Maximum number of directors (for a fixed number of directors, indicate the same number in both boxes)
Minimum number 3 **Maximum number** 10
6 – Restrictions, if any, on the business the corporation may carry on
NONE
7 – Other provisions, if any
SCHEDULE "B" ATTACHED
8 – The amalgamation has been approved pursuant to that section or subsection of the Act which is indicated as follows:

⊙	183 – Long form: approved by special resolution of shareholders		○	184(1) – Vertical short-form: approved by resolution of directors		○	184(2) – Horizontal short-form: approved by resolution of directors

9 – Declaration

I hereby certify that I am a director or an authorized officer of the following corporation:

Name of the amalgamating corporations	Corporation number	Signature
WAVERLEY PHARMA INC.	0880182-7	
BUFFALO CAPITAL INC.	1002205-5	

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding $5,000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).

SCHEDULE “A”

THE CLASSES OF SHARES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE ARE:

1. **An unlimited number of Common shares**, the holders of which are entitled:

   (a) to receive notice of and to attend and vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;

   (b) to receive any dividend declared by the Corporation on this class of shares; provided that the Corporation shall be entitled to declare dividends on the Preferred shares, or on any of such classes of shares without being obliged to declare any dividends on the Common shares of the Corporation;

   (c) subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to receive the remaining property of the Corporation upon dissolution in equal rank with the holders of all other Common shares of the Corporation; and

   (d) to the rights, privileges and restrictions normally attached to common shares;

2. **An unlimited number of Preferred shares,** which as a class, have attached thereto the following rights, privileges, restrictions and conditions:

   (a) the Preferred shares may from time to time be issued in one or more series, and the Directors may fix from time to time before such issue the number of Preferred shares which is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series of Preferred shares including, without limiting the generality of the foregoing, any voting rights, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the terms and conditions of redemption, purchase and conversion if any, and any sinking fund or other provisions;

   (b) the Preferred shares of each series shall, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation amongst its shareholders for the purpose of winding up its affairs, be entitled to preference over the voting and non-voting Common shares and over any other shares of the Corporation ranking by their terms junior to the Preferred shares of that series. The Preferred shares of any series may also be given such other preferences, not inconsistent with these Articles, over the Common shares and any other such Preferred shares as may be fixed in accordance with clause (2)(a); and

   (c) if any cumulative dividends or amounts payable on the return of capital in respect of a series of Preferred shares are not paid in full, all series of Preferred shares shall participate rateably in respect of accumulated dividends and return of capital.

SCHEDULE "B"

OTHER RULES OR PROVISIONS (IF ANY):

(a) The Directors may, between Annual General Meetings, appoint 1 or more additional Directors of the Corporation to serve until the next Annual General Meeting, but the number of additional Directors shall not at any time exceed 1/3 of the number of Directors who held office at the expiration of the last Annual Meeting of the Corporation.

(b) Meetings of shareholders of the Corporation shall be held anywhere in Canada that the directors determine.

BY-LAW NO. 1

A by-law relating generally to
the transaction of the business
and affairs of

WAVERLEY PHARMA INC.
(the "Corporation")

C O N T E N T S

SECTION 1

1. INTERPRETATION

1.1 DEFINITIONS

In the bylaw of the Corporation, unless the context otherwise requires:

"**Act**" means the **Canada Business Corporations Act**, and any statute that may be substituted therefor, as from time to time amended;

"**appoint**" includes "elect" and vice versa;

"**articles**" means the articles of incorporation (Form 1) filed with Consumer and Corporate Affairs Canada as from time to time amended or restated;

"**board**" means the board of directors of the Corporation;

"**bylaws**" means this bylaw and all other bylaws of the Corporation from time to time in force and effect;

"**Corporation**" means Waverley Pharma Inc.;

"**meeting of shareholders**" includes an annual meeting of shareholders and a special meeting of shareholders; "special meeting of shareholders" means a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;

"**non-business day**" means Saturday, Sunday and any other day that is a holiday as defined in the **Interpretation Act** (Canada);

"**recorded address**" means in the case of a shareholder his address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holdings or the first address so appearing if there are more than one; and in the case of a director, officer, auditor or member of a committee of the board, his latest address as recorded in the records of the Corporation;

"**signing officer**" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by section 2.4 or by a resolution passed pursuant thereto.

1.2 Save as aforesaid, words and expression defined in the Act have the same meanings when used herein.

1.3 Words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

1.4 The insertion of headings in this bylaw is for convenience of reference only and shall not affect the construction of interpretation thereof.

SECTION 2

2. BUSINESS OF THE CORPORATION

2.1 REGISTERED OFFICE

Until changed in accordance with the Act, the registered office of the Corporation shall be in the Province of British Columbia at such location therein as the board may from time to time determine.

2.2 CORPORATE SEAL

The board may provide for a corporate seal of the Corporation.

2.3 FINANCIAL YEAR

The financial year of the Corporation shall end on the date chosen by the board.

2.4 EXECUTION OF INSTRUMENTS

Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any one director or officer of the Corporation. In addition, the board may from time to time direct the manner in which, and the person or persons by whom, any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same.

2.5 BANKING ARRANGEMENTS

The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe or authorize.

2.6 VOTING RIGHTS IN OTHER BODIES CORPORATE

The signing officers of the Corporation may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.7 FINANCIAL ASSISTANCE

Subject to the Act and the approval of the board of directors, the Corporation may provide financial assistance in any form to any party, including related or affiliated parties.

SECTION 3

3. BORROWING AND SECURITIES

3.1 BORROWING POWER

Without limiting the borrowing powers of the Corporation as set forth in the Act, the board may from time to time:

(a) borrow money upon the credit of the Corporation;

(b) issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness or guarantee of the Corporation, whether secured or unsecured; and

(c) mortgage, hypothecate, pledge or otherwise create an interest in or charge upon all or any property (including the undertaking and rights) of the Corporation, owned or subsequently acquired, by way of mortgage, hypothecation, pledge or otherwise, to secure payment of any such evidence of indebtedness or guarantee of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.2 DELEGATION

The board may from time to time delegate to such one or more of the directors and officers of the Corporation as may be designated by the board all or any of the powers conferred on the board by section 3.1 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

SECTION 4

4. DIRECTORS

4.1 NUMBER OF DIRECTORS AND QUORUM

Until changed in accordance with the Act, the board shall consist of not fewer than three and not more than ten directors. Subject to section 4.8 the quorum for the transaction of business at any meeting of the board shall consist of a majority of the minimum number of directors required by the articles.

4.2 QUALIFICATION

No person shall be qualified for election as a director if he is less than 18 years of age; if he is of unsound mind and has been so found by a court in Canada or elsewhere; if he is not an individual; or if he has the status of a bankrupt. A director need not be a shareholder. At least one quarter of the directors shall be Canadian residents.

4.3 ELECTION AND TERM

The election of directors shall take place at the first meeting of shareholders and at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors then in office unless the directors or the shareholders otherwise determine. The election shall be by ordinary resolution. If an election of directors is not held at the proper time the incumbent directors shall continue in office until their successors are elected.

4.4 REMOVAL OF DIRECTORS

Subject to the provisions of the Act, the shareholders may by ordinary resolution passed at a special meeting remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by the directors.

4.5 VACATION OF OFFICE

A director ceases to hold office when he dies; he is removed from office by the shareholders; he ceases to be qualified for election as a director; or his written resignation is sent or delivered to the Corporation, or if a time is specified in such resignation, at the time so specified, whichever is later.

4.6 VACANCIES

Subject to the Act, a quorum of the board may fill a vacancy in the board, except a vacancy resulting from an increase in the minimum number of directors or from a failure of the shareholders to elect the minimum number of directors. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the minimum number of directors, the board shall forthwith call a special meeting of shareholders to fill the vacancy. If the board fails to call such meeting or if there are no such directors then in office, any shareholder may call the meeting.

4.7 **ACTION BY THE BOARD**

The board shall manage the business and affairs of the Corporation. Subject to sections 4.8, 4.9 and 5.1, the powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy on the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

4.8 **CANADIAN MAJORITY**

The board shall not transact business at a meeting, other than filling a vacancy in the board, unless the requisite minimum number of resident Canadian directors required by the Act are present, except where:

(a) a resident Canadian director who is unable to be present approves in writing or by telephonic, electronic or other communications facilities the business transacted at the meeting; and

(b) the required minimum number of resident Canadian directors would have been present had the director been present at the meeting.

4.9 **MEETINGS BY TELEPHONE**

If all the directors consent, a director may participate in a meeting of the board or of a committee of the board by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office.

4.10 **PLACE OF MEETINGS**

Meetings of the board may be held at any place in or outside Canada.

4.11 **CALLING OF MEETINGS**

Meetings of the board shall be held from time to time and at such place as the board, the chairman of the board, the managing director, the president or any two directors may determine.

4.12 **NOTICE OF MEETING**

Notice of the time and place of each meeting of the board shall be given in the manner provided in section 11.1 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, and there shall be included within such exception any proposal to:

(a) submit to the shareholders any question or matter requiring approval of the shareholders;

(b) fill a vacancy among the directors or in the office of auditor;

(c) issue securities;

(d) declare dividends;

(e) purchase, redeem or otherwise acquire shares of the Corporation;

(f) pay a commission for the sale of shares;

(g) approve a management proxy circular;

(h) approve a take-over bid circular or directors' circular;

(i) approve any annual financial statements; or

(j) adopt, amend or repeal bylaws.

A director may in any manner waive notice of or otherwise consent to a meeting of the board.

4.13 **FIRST MEETING OF NEW BOARD**

Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.

4.14 **ADJOURNED MEETING**

Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

4.15 **REGULAR MEETINGS**

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meeting shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

4.16 **CHAIRMAN**

The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: chairman of the board, managing director, president, or a vice-president who is a director. If no such officer is present, the directors present shall choose one of their number to be chairman.

4.17 **VOTES TO GOVERN**

At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, if the chairman of the board is the chairman of the meeting, then the chairman of the board shall be entitled to a second or casting vote. In all other circumstances, no chairman of a meeting other than the chairman of the board shall be entitled to a second or casting vote.

4.18 **CONFLICT OF INTEREST**

A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by the Act and shall otherwise act or refrain from acting as regards such material contract or proposed material contract as the Act may provide.

4.19 **REMUNERATION AND EXPENSES**

The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

SECTION 5

5. COMMITTEES

5.1 **EXECUTIVE COMMITTEE**

The directors of the Corporation may, from time to time, elect from among their number an executive committee consisting of not less than two persons in number, and may delegate to such executive committee, subject to such restrictions, if any, as may be imposed from time to time by the directors, such powers of the board of directors as may be granted in any resolution duly passed by the directors, except those powers which, under the Act, a committee of directors has no authority to exercise. A majority of the members of the executive committee shall be resident Canadians. The directors may from time to time remove any member of the executive committee, and may from time to time appoint another one or more of their number to the executive committee. Any director of the Corporation who is not a member of the executive committee shall have the right to be present at any meeting of the executive committee. Subject to the provisions of section 4.9, the powers of the executive committee may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the executive committee. Meetings of the executive committee may be held at any place in or outside Canada. Every question to be decided by a meeting of the executive committee shall be decided by a majority of the votes cast on the question; and in case of an equality of votes, the chairman of the meeting shall have a second or casting vote. The members of the executive committee shall at all meetings appoint one of their members to be chairman of the meeting, and another of their members to be secretary of the meeting. The secretary of such meeting shall take minutes of such meeting and shall, within a reasonable time following such meeting, cause such minutes to be typewritten and to be deposited with the secretary of the Corporation at the head office of the Corporation. The secretary of the Corporation shall maintain at the head office of the Corporation a book wherein shall be bound all minutes of meetings of the executive committee. Any director of the Corporation shall have the right to inspect such book for reasonable periods of time and during reasonable business hours, and to make copies thereof and to copy extracts therefrom.

5.2 **ADVISORY COMMITTEES**

The board may from time to time elect or appoint such other committees as it may deem advisable, but the function of such other committees shall be advisory only.

5.3 **AUDIT COMMITTEE**

Unless the Director of the Corporations Directorate authorizes the Corporation to dispense with an audit committee, if the Corporation is a distributing corporation as defined in the Regulations under the Act, the Corporation shall have an audit committee comprised of not less than three directors of the Corporation, two of whom are not officers or employees of the Corporation or any of its affiliates. If the Corporation is not a distributing corporation as defined in the Regulations under the Act, the Corporation may have an audit committee comprised of not less than three directors of the Corporation, two of whom are not officers or employees of the Corporation or any of its affiliates. The audit committee shall have the power and duties provided in the Act.

5.4 **PROCEDURES**

Unless otherwise ordered by the board, and subject to the provisions of the Act and this bylaw, each committee shall have power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure.

SECTION 6

6. OFFICERS

6.1 **APPOINTMENT**

The board may from time to time appoint a president, one or more vice-presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this bylaw and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to sections 6.2 and 6.3, an officer may but need not be a director and one person may hold more than one office.

6.2 **CHAIRMAN OF THE BOARD**

The board may from time to time also appoint a chairman of the board who shall be a director. If appointed, the board may assign to him any of the powers and duties that are by any provisions of this bylaw assigned to the managing director or to the president; and he shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. During the absence or disability of the chairman of the board, his duties shall be performed and his powers exercised by the managing director, if any, or by the president.

6.3 **MANAGING DIRECTOR**

The board may from time to time appoint a managing director who shall be a resident Canadian and a director. If appointed, he shall have general supervision of the business and affairs of the Corporation; and he shall, subject to the provisions of the Act, have such others powers and duties as the board may specify. During the absence or disability of the president, or if no president has been appointed, the managing director shall also have the powers and duties of that office.

6.4 **PRESIDENT**

If appointed, the president shall be the chief operating officer and, subject to the authority of the board, shall have general supervision of the business of the Corporation; and he shall have such other powers and duties as the board may specify. During the absence or disability of the managing director, or if no managing director has been appointed, the president shall also have the powers and duties of that office.

6.5 **VICE-PRESIDENT**

A vice-president shall have such powers and duties as the board or the chief executive officer may specify.

6.6 **SECRETARY**

The secretary shall attend and be the secretary of all meetings of the board, shareholders and committees of the board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; he shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the board or the chief executive officer may specify.

6.7 **TREASURER**

The treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he shall render to the board whenever required an account of all his transactions as treasurer and of the financial position of the Corporation; and he shall have such other powers and duties as the board or the chief executive officer otherwise directs.

6.8 **POWERS AND DUTIES OF OTHER OFFICERS**

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board or the chief executive officer may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the chief executive officer otherwise directs.

6.9 **VARIATION OF POWERS AND DUTIES**

The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

6.10 **TERM OF OFFICE**

The board, in its discretion, may remove any officer of the Corporation without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until his successor is appointed.

6.11 **TERMS OF EMPLOYMENT AND REMUNERATION**

The terms of employment and the remuneration of officers appointed by the board shall be settled by it from time to time.

6.12 **CONFLICT OF INTEREST**

An officer shall disclose his interest in any material contract or proposed material contract with the Corporation in accordance with section 4.18.

6.13 **AGENTS AND ATTORNEYS**

The board shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers of management or otherwise (including the power to subdelegate) as may be thought fit.

6.14 **FIDELITY BONDS**

The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

SECTION 7

7. PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.1 LIMITATION OF LIABILITY

No director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own wilful neglect or default; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.2 INDEMNITY

Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his heirs and legal representatives, against any and all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or such body corporate, if:

(a) he acted honestly and in good faith with a view to the best interests of the Corporation; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he has reasonable grounds for believing that his conduct was lawful.

Subject to the Act and the approval of the board of directors, the Corporation may advance anticipated defence costs in respect of the foregoing.

7.3 INSURANCE

Subject to the limitations contained in the Act, the Corporation may purchase and maintain such insurance for the benefit of its directors and officers as such, as the board may from time to time determine.

SECTION 8

8. SHARES

8.1 ISSUE OF SECURITIES

The board may from time to time issue or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the board shall determine provided that no share shall be issued until it is fully paid as prescribed by the Act.

8.2 STATED CAPITAL ACCOUNTS

The Corporation shall maintain a separate stated capital account for each class and series of shares it issues.

8.3 ENTRIES IN STATED CAPITAL ACCOUNT

The Corporation shall add to the appropriate stated capital account the full amount of any consideration it receives for any shares it issues.

8.4 COMMISSIONS

The board may from time to time authorize the Corporation to pay a commission to any person in consideration of his purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

8.5 REGISTRATION OF TRANSFER

Subject to the provisions of the Act, no transfer of shares shall be registered in a securities register except upon presentation of the certificate representing such shares with a transfer endorsed thereon or delivered therewith duly executed by the registered holder or by his attorney or successor duly appointed, together with such reasonable assurance or evidence of signature, identification and authority to transfer as the board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the board, and upon compliance with such restrictions on transfer as are authorized by the articles.

8.6 TRANSFER AGENTS AND REGISTRARS

The board may from time to time appoint a registrar to maintain the securities register and a transfer agent to maintain the register of transfers and may also appoint one or more branch registrars to maintain branch securities registers and one or more branch transfer agents to maintain branch registers of transfers, but one person may be appointed both registrar and transfer agent. The board may at any time terminate any such appointment.

8.7 **NON-RECOGNITION OF TRUSTS**

Subject to the provisions of the Act, the Corporation shall treat as absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporation's records or on the share certificate.

8.8 **SHARE CERTIFICATES**

Every holder of one or more shares of the Corporation shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with section 2.4 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

8.9 **REPLACEMENT OF SHARE CERTIFICATES**

The board or any officer or agent designated by the board may in its or his discretion direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution of share certificate claimed to have been lost, destroyed or wrongfully taken on payment of such fee, not exceeding $3.00, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

8.10 **JOINT SHAREHOLDERS**

If two or more persons are registered as joint holders of any share, the corporation shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

8.11 **DECEASED SHAREHOLDERS**

In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agent.

SECTION 9

9. DIVIDENDS AND RIGHTS

9.1 DIVIDENDS

Subject to the provisions of the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interest in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

9.2 DIVIDEND CHEQUES

A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by pre-paid ordinary mail to such registered holder at his recorded address, unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

9.3 NON-RECEIPT OF CHEQUES

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

9.4 RECORD DATE FOR DIVIDENDS AND RIGHTS

The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, provided that notice of any such record date is given, not less than 14 days before such record date, by newspaper advertisement in the manner provided in the Act and by written notice to each stock exchange in Canada on which shares of the Corporation are listed for trading. Where no record date is fixed in advance as aforesaid, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

9.5 UNCLAIMED DIVIDENDS

Any dividend unclaimed after a period of 6 years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

SECTION 10

10. MEETINGS OF SHAREHOLDERS

10.1 ANNUAL MEETINGS

The annual meeting of shareholders shall be held at such time in each year not more than 15 months after the holding of the last preceding annual meeting and not more than six months after the fiscal year-end of the Corporation, and, subject to section 10.3, at such place as the board, the chairman of the board, the managing director or the president may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors, and for the transaction of such other business as may properly be brought before the meeting.

10.2 SPECIAL MEETINGS

The board, the chairman of the board, the managing director or the president shall have the power to call a special meeting of shareholders at any time. Any special meeting of shareholders may be held in conjunction with an annual meeting of shareholders.

10.3 PLACE OF MEETINGS

Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situate or, if the board shall so determine, at some other place in Canada, or, if all the shareholders entitled to vote at the meeting so agree, at some place outside Canada.

Subject to the Act, the Corporation may conduct any meeting of its shareholders by electronic means (including, but not limited to, on the Internet or other electronic communication network, by video conference or by telephone conference) if: (i) the Corporation makes the necessary technical arrangements, (ii) the notice of the meeting indicates the method by which the meeting shall be conducted.

10.4 NOTICE OF MEETINGS

Unless the Corporation is a distributing corporation (as defined in the Act), notice of the time and place of each meeting of shareholders shall be given in the manner provided in section 11.1 not less than 10 days before the date of the meeting, as permitted by section 135(1.1) of the Canada Business Corporations Act, to each director, to the auditor and to each shareholder who at the close of business on the record date, if any, for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting. A shareholder may in any manner waive notice of or otherwise consent to a meeting of shareholders. If the Corporation is a distributing corporation (as defined in the Act), notice of the time and place of each meeting of shareholders shall be send in accordance with section 135(1) of the Act.

10.5 LIST OF SHAREHOLDERS ENTITLED TO NOTICE

For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares entitled to vote at the meeting held by each shareholder. If a record date for the meeting is fixed pursuant to section 10.6, the shareholders listed shall be those registered at the close of business on a day not later than 10 days after such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the securities register is kept and at the place where the meeting is held.

10.6 RECORD DATE FOR NOTICE

The board may fix in advance a record date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 21 days, for the determination of the shareholders entitled to notice of the meeting, provided that notice of any such record date is given, not less than 7 days before such record date, by newspaper advertisement in the manner provided in the Act and by written notice to each stock exchange in Canada on which the shares of the Corporation are listed for trading. If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting shall be the close of business on the day immediately preceding the day on which the notice is given.

10.7 MEETINGS WITHOUT NOTICE

A meeting of shareholders may be held without notice at any time and place permitted by the Act if:

(a) all the shareholders entitled to vote thereat are present in person or represented by proxy or if, before or after such meeting, those not present or represented by proxy waive notice of or otherwise consent to such meeting being held, and

(b) the auditors and the directors are present or, before or after such meeting, waive notice of or otherwise consent to such meeting being held. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

10.8 CHAIRMAN, SECRETARY AND SCRUTINEERS

The chairman of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: chairman of the board, president, managing director, or a vice-president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting the persons present and entitled to vote shall choose one of their number to be chairman. If the secretary of the Corporation is absent the chairman shall appoint some person, who need not be a shareholder to act as secretary of the meeting. If desired, one or more scrutineers who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

10.9 **PERSONS ENTITLED TO BE PRESENT**

The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or bylaws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

10.10 **QUORUM**

Except where the Corporation has a single shareholder, a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxyholder for an absent shareholder so entitled, and together holding or representing by proxy not less than 10% of the outstanding shares of the Corporation entitled to vote at the meeting. If a quorum is present at the opening of a meeting of shareholders, the shareholders present or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of any meeting of shareholders, the shareholders present or represented by proxy may adjourn the meeting to a fixed time and place but not transact any other business.

10.11 **RIGHT TO VOTE**

Subject to the provisions of the Act as to authorized representatives of any other body corporate, at any meeting of shareholders every person who is named in the list referred to in section 10.5 shall be entitled to vote the shares shown thereon opposite his name except as provided in the Act in cases where the Corporation has fixed a record date in respect of such meeting pursuant to section 10.6.

10.12 **PROXIES**

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney and shall conform with the requirements of the Act.

10.13 **TIME FOR DEPOSIT OF PROXIES**

The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours exclusive of non-business days, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, unless it has been received by the secretary of the Corporation or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

10.14 **JOINT SHAREHOLDERS**

If two or more persons hold shares jointly, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented by proxy and vote, they shall vote as one on the shares jointly held by them.

10.15 **VOTES TO GOVERN**

At any meeting of shareholders every question shall, unless otherwise required by the articles or bylaw or by law, be determined by the majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a poll, the chairman of the meeting shall be entitled to a second or casting vote.

10.16 **SHOW OF HANDS**

Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other preceding in respect of the said question, and the result to the vote so taken shall be the decision of the shareholders upon the said question.

10.17 **BALLOTS**

On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairman directs at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

10.18 **ADJOURNMENT**

If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earlier meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given for an original meeting.

10.19 **RESOLUTION IN WRITING**

A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditors in accordance with the Act.

SECTION 11

11. NOTICES

11.1 METHOD OF GIVING NOTICES

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the bylaws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his recorded address or if mailed to him at his recorded address by prepaid ordinary or air mail or if sent to him at his recorded address by any means of prepaid transmitted or recorded communication.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable.

Notwithstanding the foregoing, and subject to the Act, any notice or other document or communication may be sent by electronic means (including, but not limited to, facsimile transmission, electronic mail and voice mail) and any notice so delivered shall be deemed to have been given at the time of such delivery.

11.2 NOTICE TO JOINT SHAREHOLDERS

If two or more persons are registered as joint holders of any share, any notice shall be addressed to all of such joint holders but notice to one of such persons shall be sufficient notice to all of them.

11.3 COMPUTATION OF TIME

In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

11.4 UNDELIVERED NOTICES

If any notice given to a shareholder pursuant to section 11.1 is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

11.5 OMISSIONS AND ERRORS

The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

11.6 PERSONS ENTITLED BY DEATH OR OPERATION OF LAW

Every person who, by operation of law, transfer, death or a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he derives his title to such share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

11.7 WAIVER OF NOTICE

Any shareholder (or his duly appointed proxyholder), director, officer, auditor, or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the articles, the bylaws or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board which may be given in any manner.

SECTION 12

12. PROHIBITIONS

12.1 Definitions

In this Article 12:

(a) “security” has the meaning assigned in the Securities Act (British Columbia);

(b) “transfer restricted security” means:

(i) a share of the Company;

(ii) a security of the Company convertible into shares of the Company;

(iii) any other security of the Company which must be subject to restrictions on transfer in order for the Company to satisfy the requirement for restrictions on transfer under the "private issuer" exemption of Canadian securities legislation or under any other exemption from prospectus or registration requirements of Canadian securities legislation similar in scope and purpose to the "private issuer" exemption.

Consent Required for Transfer of Securities or Transfer Restricted Securities

No security or transfer restricted security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

The above consent does not apply to the Corporation if and for so long as it is a public corporation.

13. COUNTERPARTS

13.1 These bylaws may be executed in any number of counterparts with the same effect as if all the directors of the Corporation signed the same document and such bylaws will be deemed to have been passed on the date indicated below. All counterparts will be construed together and will constitute one instrument. A copy of these bylaws delivered by facsimile or other electronic transmission and bearing a copy of the signature of a director hereto will for all purposes be treated and accepted as an original.

14. EFFECTIVE DATE

14.1 Coming into force. This by-law shall come into force upon, and only upon, being confirmed by the shareholders entitled to vote thereon in accordance with the Act.

The foregoing bylaw is hereby consented to and confirmed as evidenced by the signature of a director of the Corporation pursuant to the provisions of the Canada Business Corporations Act.

Dated as of the _____ day of ____________, 2017 .

____

•

BYLAW NUMBER 2.

WAVERLEY PHARMA INC.
A bylaw respecting the borrowing of money by

BE IT ENACTED AND IT IS HEREBY ENACTED as a bylaw of WAVERLEY PHARMA INC. (the "Corporation") as follows:

1. The directors may from time to time:

   (a) borrow money upon the credit of the Corporation;

   (b) issue, reissue, sell or pledge debt obligations of the Corporation; and

   (c) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any debt obligations of the Corporation, whether secured or unsecured.

2. The directors may from time to time by resolution delegate any two individuals (including the Secretary, Controller or Chief Executive Officer) each of whom is an officer of the Corporation all or any of the powers conferred on the directors by paragraph 1 of this bylaw to the full extent thereof or such lesser extent as the directors may in any such resolution provide.

3. The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Corporation possessed by its directors or officers independently of a borrowing bylaw.

The foregoing bylaw is hereby consented to and confirmed as evidenced by the signature of a Director of the Corporation pursuant to the provisions of the *Canada Business Corporations Act*, as amended from time to time or any successor statutes.

Dated as of ____________________ 2017.

______________________________   ______________________________

SCHEDULE B

BUFFALO AMALGAMATION RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the amalgamation (the "**Amalgamation**") under Sections 182 and 183 of the *Canada Business Corporations Act* (the "**Act**") involving Buffalo Capital Inc. ("**Buffalo**") and Waverley Pharma Inc. ("**Waverley**"), substantially as set out in the amalgamation agreement dated August 8, 2017 between Waverley and Buffalo (the "**Amalgamation Agreement**") is hereby authorized, approved and adopted;

2. the Amalgamation Agreement is hereby confirmed, ratified and approved;

3. notwithstanding that this resolution has been passed (and the Amalgamation adopted) by the shareholders of Buffalo, the directors of Buffalo are hereby authorized and empowered (a) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement, and (b) not to proceed with the Amalgamation without further notice to or approval of the Shareholders of Buffalo, but only if the Amalgamation Agreement is terminated in accordance with the terms of the Amalgamation Agreement; and

4. any officer or director of Buffalo is hereby authorized and directed for and on behalf of Buffalo to execute, under the corporate seal of Buffalo or otherwise, and to deliver articles of Amalgamation, and such other documents or instruments as are necessary or desirable, to the Director under the Act in accordance with the Amalgamation Agreement for filing; and

5. any officer or director of Buffalo is hereby authorized and directed for and on behalf of Buffalo to execute or cause to be executed, under the seal of Buffalo or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the taking of any such act or thing."

SCHEDULE C

WAVERLEY AMALGAMATION RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the amalgamation (the "**Amalgamation**") under Sections 182 and 183 of the *Canada Business Corporations Act* (the "**Act**") between Buffalo Capital Inc. ("**Buffalo**") and Waverley Pharma Inc. ("**Waverley**"), substantially as set out in the amalgamation agreement dated August 8, 2017 between Waverley and Buffalo (the "**Amalgamation Agreement**") is hereby authorized, approved and adopted;

2. the Amalgamation Agreement is hereby confirmed, ratified and approved;

3. notwithstanding that this resolution has been passed (and the Amalgamation adopted) by the shareholders of Waverley, the directors of Waverley are hereby authorized and empowered (a) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement, and (b) not to proceed with the Amalgamation without further notice to or approval of the shareholders of Waverley, but only if the Amalgamation Agreement is terminated in accordance with the terms of the Amalgamation Agreement;

4. any officer or director of Waverley is hereby authorized and directed for and on behalf of Waverley to execute, under the corporate seal of Waverley or otherwise, and to deliver articles of Amalgamation, and such other documents and instruments as are necessary or desirable, to the Director under the Act in accordance with the Amalgamation Agreement for filing; and

5. any officer or director of Waverley is hereby authorized and directed for and on behalf of Waverley to execute or cause to be executed, under the seal of Waverley or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the taking of any such act or thing."

SCHEDULE D

AMALCO DIRECTORS

Director Name	Address*
Dr. Albert D. Friesen	[redacted]
P. Marcus Enns	[redacted]
Pieter J. de Visser	[redacted]
Hellen Siwanowicz	[redacted]

* Personal information redacted.

APPENDIX "E"
BUFFALO OPTION PLAN

STOCK OPTION PLAN OF BUFFALO CAPITAL INC.

1. PURPOSE

The purpose of the Stock Option Plan (the "**Plan**") of Buffalo Capital Inc., a corporation incorporated under the *Canada Business Corporations Act* (the "**Corporation**") is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the "**Shares**"), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. ADMINISTRATION

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Board**"). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. STOCK EXCHANGE RULES

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the Shares are then listed and any other regulatory body having jurisdiction (hereinafter collectively referred to as, the "**Exchange**").

Without limiting the generality of the foregoing, during such period as the Shares are listed for trading on the Exchange:

a) the Exchange Hold Period (as defined in the policies of the Exchange) will apply to all options granted to Insiders of the Corporation (as defined in the policies of the Exchange) and to all options granted at a discount to the Market Price (as defined in the policies of the Exchange); and

b) any acceleration or removal of required Exchange vesting provisions are subject to the prior written approval of the Exchange.

4. SHARES SUBJECT TO PLAN

Subject to adjustment as provided in Section 15 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation's authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

However, other than in connection with a "Qualifying Transaction" (as defined in Policy 2.4 of the Exchange) or otherwise accepted by the TSX Venture Exchange, during the time that the Corporation is a "Capital Pool Company" (as defined in Policy 2.4 of the Exchange), the aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the common shares of the Corporation issued and outstanding at the closing of the Corporation's initial public offering.

5. MAINTENANCE OF SUFFICIENT CAPITAL

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. ELIGIBILITY AND PARTICIPATION

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries ("**Management Company Employees**") shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as "**Participants**"). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. EXERCISE PRICE

(a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange.

(b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may only be reduced if at least 6 months have elapsed since the later of the date of the commencement of the term, the date the Corporation's shares commenced trading or the date the exercise price was reduced. In the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. NUMBER OF OPTIONED SHARES

(a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.

(b) No single Participant may be granted options to purchase a number of Shares equaling more than 5% of the issued common shares of the Corporation in any twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.

(c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).

(d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relation activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than ¼ of the options vesting in any 3 month period.

(e) The aggregate number of options granted and outstanding to Eligible Charitable Organizations (as defined in the policies of the Exchange) must not at any time exceed 1% of the issued Shares of the Corporation, as calculated immediately subsequent to the grant of any options to Eligible Charitable Organizations, and any such options must expire after the earlier of (i) ten years from the date of grant; and (ii) ninety days after the optionee ceases to be an Eligible Charitable Organizations.

9. DURATION OF OPTION

(a) Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange, being 10 years for the TSX Venture Exchange.

(b) Subject to compliance with Exchange Policy 4.4, the expiry date of an option granted hereunder will be automatically extended if such expiry date falls within a blackout period during which the Corporation prohibits optionees from exercising their options. Such automatic extension shall in no event exceed 10 business days following the end of such blackout period.

10. OPTION PERIOD, CONSIDERATION AND PAYMENT

(a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.

(b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.

(c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.

(d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.

(e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

11. CEASING TO BE A DIRECTOR, OFFICER, CONSULTANT OR EMPLOYEE

(a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.

(b) If the Participant does not continue to be a director, officer, consultant, employee of the Resulting Issuer upon completion of the Corporation's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the options granted hereunder must be exercised by the Participant within the later of 12 months after completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, consultant or employee of the Resulting Issuer.

(c) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. DEATH OF PARTICIPANT

Notwithstanding section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

(a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and

(b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

13. RIGHTS OF OPTIONEE

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

14. PROCEEDS FROM SALE OF SHARES

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

15. ADJUSTMENTS

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any outstanding such adjustment.

16. TRANSFERABILITY

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

17. AMENDMENT AND TERMINATION OF PLAN

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange on which the Shares are listed for trading), the Board may at any time, without further action by the shareholders, amend the Plan or any option granted hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to ensure that options granted hereunder will comply with any provisions respecting stock options in the income tax or other laws in force in any country or jurisdiction of which a person to whom an option has been granted may from time to time be resident or citizen or the Board may at any time, without action by shareholders, terminate the Plan. The Board may not, however, without the consent of the option holder, alter or impair any of the rights or obligations under any option theretofore granted.

18. NECESSARY APPROVALS

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

19. WITHHOLDING TAXES

The Corporation's obligation to deliver Shares issuable on the exercise of an option shall be subject to a Participant's satisfaction of all applicable income, employment and non-resident withholding tax obligations. Without limiting the generality of the foregoing, if the Corporation determines in its sole discretion that under the requirements of applicable taxation laws or regulations of any governmental authority whatsoever it is obliged to withhold for remittance to a taxing authority any amount upon exercise of an option, the Corporation may take any steps it considers necessary or appropriate in the circumstances to withhold in connection with any option or other benefit under the Plan including, without limiting the generality of the foregoing:

(a) requiring the Participant exercising the option to pay the Corporation, in the same manner as the exercise price for the Shares issuable on exercise of an option, such amount as the Corporation is obliged to remit to such taxing authority in respect of the exercise of the option, with any such additional payment, in any event, being due no later than the date as of which any amount with respect to the option exercised first becomes included in the gross income of the Participant for tax purposes; or

(b) issuing the Shares issuable on the exercise of an option to an agent on behalf of the Participant and directing the agent to sell a sufficient number of such Shares on behalf of the Participant to satisfy the amount of any such withholding obligation, with the agent paying the proceeds of any such sale to the Corporation for this purpose;

to the extent permitted by law, deducting the amount of any such withholding obligation from any payment of any kind otherwise due to the Participant.

20. EFFECTIVE DATE OF PLAN

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

21. INTERPRETATION

The Plan will be governed by and construed in accordance with the federal laws of Canada.

APPENDIX "F"
AUDIT COMMITTEE CHARTER

OVERALL ROLE AND RESPONSIBILITY

The Audit Committee shall:

1.1 Assist the Board of Directors in its oversight role with respect to:

(a) the quality and integrity of financial information;

(b) the independent auditor's performance, qualifications and independence;

(c) the performance of the Corporation's internal audit function, if applicable;

(d) the Corporation's compliance with legal and regulatory requirements; and

1.2 Prepare such reports of the Audit Committee required to be included in the information/proxy circular of the Corporation in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three (3) or more Directors appointed by the Board of Directors, the majority of whom shall not be officers, employees or control persons of the Corporation or any of the Corporation's associates and affiliates.

The Board of Directors shall designate one (1) member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment. The Board of Directors shall determine whether and how many members of the Audit Committee qualify as a financial expert as defined by applicable law.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the board for the appointment and replacement of the independent auditor.

- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.

- Evaluate the qualifications, performance and independence of the independent auditor, including: (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.

- Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual information/proxy circular, as required by applicable law.

- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.

Financial Reporting

- Review and discuss with management and the independent auditor:

    - prior to the annual audit the scope, planning and staffing of the annual audit,
    - the annual audited financial statements,
    - the Corporation's annual and quarterly disclosures made in management's discussion and analysis,
    - approve any reports for inclusion in the Corporation's Annual Report, if any, as required by applicable legislation,
    - the Corporation's quarterly financial statements, including the results of the independent auditor's review, if applicable, of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards,
    - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,
    - any significant changes in the Corporation's selection or application of accounting principles,
    - any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and
    - other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws.

The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this protocol. The CFO shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting

APPENDIX "G"

SECTION 190 OF THE *CANADA BUSINESS CORPORATIONS ACT*

Right to dissent

190. (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

Further right

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

If one class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Payment for shares

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial dissent

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

Notice of resolution

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

Share certificate

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Forfeiture

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

Endorsing certificate

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

Suspension of rights

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

Venue

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

Parties

(19) On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

Appraisers

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

Interest

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Notice that subsection (26) applies

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Effect where subsection (26) applies

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Limitation

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation’s assets would thereby be less than the aggregate of its liabilities.

APPENDIX "H"
INFORMATION CONCERNING BUFFALO CAPITAL INC. PRIOR TO THE AMALGAMATION

NOTICE TO READERS

All capitalized terms used in this Appendix “H” but not otherwise defined herein have the same meanings set forth in the “Glossary of Terms” in the Information Circular.

No securities regulatory authority has expressed an opinion about the Amalgamation, and it is an offence to claim otherwise. An investment in Buffalo should be considered highly speculative due to the nature of its activities and the present stage of its development.

The following information is a summary of the business and affairs of Buffalo and should be read in conjunction with the audited and unaudited financial statements regarding Buffalo contained in this Appendix “H” and in the Information Circular.

FORWARD-LOOKING STATEMENTS

Certain information and statements contained in this Appendix “H” contain “forward-looking information” and “forward-looking statements” (collectively, “**forward-looking statements**”) as defined under Applicable Laws. All forward-looking statements other than statements of historical fact contained in this Appendix “H” are forward-looking statements, including but not limited to, operational information and future plans. Reference is made to “Cautionary Notice Regarding Forward-Looking Information” in the body of the Information Circular for information regarding forward-looking statements. The forward-looking statements and information contained in this Appendix “H” are expressly qualified in their entirety by the cautionary statements set forth in the body of the Information Circular under the heading “Cautionary Notice Regarding Forward-Looking Information”. Readers are cautioned not to place undue reliance on forward-looking statements contained in this Appendix “H”, which reflect the analysis of the management of Buffalo only as of the date of this Information Circular. Buffalo does not undertake any obligation to release publicly the results of any revision to these forward-looking statements which may be made to reflect events or circumstances after the date of the Information Circular or to reflect the occurrence of unanticipated events, except as required by Applicable Laws

CORPORATE STRUCTURE

Buffalo Capital Inc. was incorporated on December 14, 2016 by Certificate of Incorporation issued pursuant to the provisions of the *Canada Business Corporations Act* under the name "Buffalo Capital Inc.".

The head office of the Corporation is located at 4 -1250 Waverley Street, Winnipeg, MB R3T 6C6. The registered office of the Corporation is located at 301 - 1665 Ellis Street, Kelowna, BC V1Y 2B3.

GENERAL DEVELOPMENT OF THE BUSINESS

Buffalo is a Capital Pool Company as defined in Policy 2.4 of the TSXV. Buffalo has not commenced commercial operations and proposes to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory approval.

Until completion of a Qualifying Transaction (as defined in TSXV Policy 2.4), Buffalo will not carry on any business other than the identification and evaluations of businesses or assets with a view to completing a Qualifying Transaction. With the consent of the TSXV, this may include the raising of additional funds in order to finance an acquisition. Except as described in Buffalo’s final prospectus dated April 20, 2017, the funds raised pursuant to Buffalo’s initial public offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investments in a potential acquisition.

On August 9, 2017, Buffalo announced it had entered into the Amalgamation Agreement. Trading in the Buffalo Shares was voluntarily halted on August 9, 2017 pending such announcement and Buffalo anticipates that trading in the Buffalo Shares will remain halted until the completion of the Amalgamation or the termination of the Amalgamation Agreement.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Information from Inception

Since inception, Buffalo has incurred costs in carrying out its initial public offering, in seeking, evaluating and negotiating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer. The following table sets out selected historical financial information for Buffalo for the periods ended January 31, 2017 and December 31, 2016 and for the three-month interim period ended March 31, 2017.

	For the Period Ended December 31, 2016	For the Period Ended January 31, 2017	For the Three Months Ended March 31, 2017
Income Statement Data			
Total Expenses	977	7,611	10,211
Net Loss	977	7,611	10,211

	As at December 31, 2016	As at January 31, 2017	As at March 31, 2017
Balance Sheet Data			
Cash	100,000	88,800	89,500
Total Assets	107,044	122,730	133,077

There were no amounts deferred in connection with the Amalgamation for the period ended December 31, 2016 or the three-month period ended March 31, 2017.

Management's Discussion and Analysis

See Buffalo's management's discussion and analysis ("**MD&A**") for the three-month interim period ended March 31, 2017 attached as Schedule "B" of this Appendix "H", which is incorporated by reference herein. The MD&A should be read in conjunction with Buffalo's financial statements included in Schedule "A" of this Appendix "H".

TRADING PRICE AND VOLUME

The Buffalo Shares are listed for trading on the TSXV under the symbol BUFF.P. The following table shows the monthly range of high and low prices and the total monthly volumes of the Buffalo Shares for the periods indicated.

	High ($)	Low ($)	Volume
2017			
April[(1)]	-	-	-
May	0.30	0.25	12,500
June	0.40	0.305	48,000
July	0.315	0.31	17,500
August (1 -8)[(2)]	0.315	0.315	N/A

Notes:

(1) Trading in the Buffalo Shares commenced on April 28, 2017.
(2) Trading in the Buffalo Shares was voluntarily halted on August 8, 2017.

Buffalo is authorized to issue an unlimited number of Buffalo Shares without nominal or par value of which, as at the date hereof, 3,000,000 Buffalo Shares are issued and outstanding as fully paid and non-assessable shares.

Holders of Buffalo Shares are entitled to dividends, if, as and when declared by the board of directors, to notice of, attend and one vote per share at, meetings of the Buffalo Shareholders and, upon liquidation, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of Buffalo, to share on a pro-rata basis according to the number of Buffalo Shares held, in the remaining property of Buffalo.

STOCK OPTION PLAN

On January 13, 2017, the Board of Directors approved the adoption of a stock option plan (the "**Option Plan**") in order to comply with the current policies of the TSXV and to increase the flexibility of Buffalo to provide incentives to directors, officers, employees, management and others who provide services to Buffalo. The Option Plan is 10% maximum rolling plan and pursuant to the policies of the TSXV, the Option Plan requires shareholder approval by ordinary resolution at every annual meeting of Buffalo while the Option Plan is in effect.

A maximum of 10% of the issued and outstanding common shares of Buffalo at the time an option is granted are reserved for options to the granted at the discretion of the Board of Directors to eligible optionees. As of the date of this Information Circular, there are options outstanding under the Option Plan entitling Buffalo's officers and directors to purchase an aggregate 300,000 Buffalo Shares at an exercise price of $0.20 per share until 2027.

The Option Plan is subject to the following restrictions:

(a) Buffalo must not grant a options to a director, employee, consultant or consultant company (a "**Participant**") in any twelve (12) month period that exceeds five percent (5%) of the outstanding shares, unless Buffalo meets applicable TSXV requirements and has obtained by a majority of the votes cast by the shareholders of Buffalo eligible to vote at a shareholders' meeting, excluding votes attaching to shares beneficially owned by insiders and their associates ("**Disinterested Shareholder Approval**");

(b) The aggregate number of options granted to a Participant conducting investor relations activities in any twelve (12) month period must not exceed two percent (2%) of the outstanding shares calculated at the date of the grant;

(c) Buffalo must not grant options to a consultant in any twelve (12) month period that exceeds two percent (2%) of the outstanding shares calculated at the date of the grant of the option; and

(d) The exercise price of an option previously granted to an insider must not be reduced, unless, among other things, Buffalo has obtained Disinterested Shareholder Approval to do so.

Material Terms of the Option Plan

The following is a summary of the material terms of the Option Plan:

(a) directors, officers, consultants and employees of Buffalo or its subsidiaries and a person or company which provides management services to Buffalo or its subsidiaries ("**Management Company Employees**"), are eligible to receive grants of options under the Option Plan;

(b) options granted under the Option Plan are non-assignable and non-transferable and are issuable for a period of up to ten (10) years;

(c) for options granted to service providers, Buffalo must ensure that the proposed Participant is a bona fide service provider of Buffalo or its affiliates;

(d) if a Participant ceases to be a director, officer, consultant, employee or Buffalo, or its subsidiaries, or ceases to be a Management Company Employee for any reason (other than death), the Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to Buffalo;

(e) if a Participant dies, any vested option held by him or her at the date of death will become exercisable by the Participant's lawful personal representatives, heir or executors until the earlier of one year after the date of death of such Participant and the date of expiration of the term otherwise applicable to such option;

(f) the exercise price of each option will be set by the Board, subject to applicable TSXV approvals;

(g) subject to any vesting restrictions imposed by the TSXV, vesting of options shall be at the discretion of the Board;

(h) Buffalo, may from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law; and

(i) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Option Plan with respect to all shares in respect of options which have not yet been granted under the Option Plan.

The following table sets out the Buffalo Options held by directors and officers of Buffalo as of the date of this Information Circular:

Name of Holder	Number of Buffalo Options	Exercise Price	Expiry Date
Albert D. Friesen	150,000	$0.20	April 27, 2027
Pieter J. de Visser	75,000	$0.20	April 27, 2027
P. Marcus Enns	75,000	$0.20	April 27, 2027

PRIOR SALES

Since the date of incorporation, 3,000,000 Buffalo Shares have been issued and are currently outstanding as follows:

Date	Number of Common Shares	Issue Price Per Share	Aggregate Issue Price	Consideration Received
December 19, 2016	1,000,000(1)	$0.10	$100,000	cash
April 27, 2017	2,000,000	$0.20	$400,000	cash

Note:
(1) These Buffalo Shares are being held in escrow.

Sales by Buffalo of Buffalo Shares to persons connected to Buffalo, such as directors, officers and insiders, were made as follows:

Name	Date	Number of Buffalo Shares
Albert D. Friesen	December 19, 2016	700,000
Pieter J. de Visser	December 19, 2016	200,000
P. Marcus Enns	December 19, 2016	100,000

NON-ARM'S LENGTH TRANSACTIONS

The Amalgamation is a Non-Arm's Length Transaction, as such term is defined under the applicable policies of the TSXV and a business acquisition under MI 61-101 because Dr. Albert D. Friesen, Chief Executive Officer, Corporate Secretary and a Director of Buffalo, holds 700,000 Buffalo Shares (representing 23.33% of the issued and outstanding Buffalo Shares) and indirectly beneficially owns or controls the Waverley Shareholder, the sole shareholder of Waverley. Assuming completion of the Amalgamation, the Waverley Shareholder will hold 40,000,000 Resulting Issuer Shares and Dr. Albert D. Friesen will control, directly or indirectly, an aggregate of 40,700,000 Resulting Issuer Shares, representing approximately 76.79% of the issued and outstanding Resulting Issuer Shares upon completion of the Amalgamation and assuming the Concurrent Financing is fully subscribed.

TSXV Policy 2.4 requires that the Buffalo Amalgamation Resolution receive Majority of the Minority Approval from the Buffalo Shareholders. Accordingly, votes attaching to Buffalo Shares held by: (i) Non-Arm's Length Parties to the CPC; and (b) Non-Arm's Length Parties to the Qualifying Transaction (each as defined in TSXV Policy 2.4) must be excluded from the votes in respect of the Buffalo Amalgamation Resolution for Majority of the Minority Approval.

The Amalgamation is also a business acquisition pursuant to MI 61-101 and accordingly, the Buffalo Amalgamation Resolution must obtain minority approval of the Buffalo Shareholders under MI 61-101. Minority approval requires the approval of the majority of the votes cast by Buffalo Shareholders at the Meeting excluding votes attached to Buffalo Shares that are beneficially owned or over which control is exercised by an Interested Party or Related Party of an Interested Party (each as defined in MI 61-101).

The directors and officers of Buffalo currently hold an aggregate of 1,000,000 Buffalo Shares, representing approximately 33.33% of the issued and outstanding Buffalo Shares prior to the completion of the Amalgamation and the Concurrent Financing. To the knowledge of Buffalo, the 1,040,000 Buffalo Shares reflected in the table below are required to be excluded for purposes of meeting the Majority of the Minority Approval of the Buffalo Amalgamation Resolution under TSXV Policies and minority approval under MI 61-101.

Name of Shareholder	Number of Excluded Buffalo Shares
Dr. Albert D. Friesen	700,000(1)
Pieter J. de Visser	200,000(1)
P. Marcus Enns	100,000(1)
Dr. George R. Thomas	40,000(2)

Notes:
(1) These Buffalo Shares were founders shares acquired prior to Buffalo's initial public offering.
(2) These Buffalo Shares were acquired as part of Buffalo's initial public offering.

Pursuant to the provisions of Multilateral Instrument 61-101, there is no requirement to obtain a formal valuation.

LEGAL PROCEEDINGS

There are no material legal proceedings to which Buffalo is a party or which any of its assets is subject. Management of Buffalo is not aware of any such legal proceedings contemplated against Buffalo.

AUDITOR, TRANSFER AGENT AND REGISTRARS

The auditor of Buffalo is MNP LLP, Chartered Professional Accountants at 2500, 201 Portage Avenue, Winnipeg, MB R3B 3K6. The transfer agent and registrar is Computershare Investor Services Inc. at 600, 530 – 8th Avenue S.W., Calgary, Alberta T2P 3S8.

MATERIAL CONTRACTS

Buffalo has not entered into any material contracts other than the following:

1. Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated December 16, 2016 between Buffalo and Computershare Investor Services Inc.

2. Agency Agreement dated as of April 20, 2017 between Buffalo and PI Financial Corp.

3. Escrow Agreement dated as of March 13, 2017 among Buffalo, Computershare Investor Services Inc. and those shareholders that executed such agreement.

4. Amalgamation Agreement dated August 8, 2017 between Buffalo and Waverley Pharma Inc.

Copies of these agreements will be available for inspection at the registered office of Buffalo located at 301 - 1665 Ellis Street, Kelowna, B.C., during ordinary business hours up to and including the date of Buffalo's Meeting and for a period of thirty (30) days thereafter.

SCHEDULE “A”
(Buffalo Financial Statements)

Financial Statements
(Expressed in Canadian Dollars)

BUFFALO CAPITAL INC.

Periods ended January 31, 2017 and December 31, 2016

Independent Auditors’ Report

To the Shareholders of Buffalo Capital Inc.:

We have audited the accompanying financial statements of Buffalo Capital Inc., which comprise the statement of financial position as at January 31, 2017 and December 31, 2016 and the statements of net loss and comprehensive loss, changes in equity and cash flows for the periods then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Buffalo Capital Inc. as at January 31, 2017 and December 31, 2016 and its financial performance and its cash flows for the periods then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 to the financial statements which indicates that Buffalo Capital Inc. as at January 31, 2017 is dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businessess. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about Buffalo Capital Inc.'s ability to continue as a going concern.

Winnipeg, Manitoba

February 27, 2017

MNP LLP
Chartered Professional Accountants

Buffalo Capital Inc.
Statements of Financial Position
(expressed in Canadian dollars)

	Note	January 31, 2017	December 31, 2016
Assets			
Current assets:			
Cash		**$ 88,800**	$ 100,000
Prepaid expenses		**33,930**	7,044
Total current assets		**122,730**	107,044
Total assets		**$ 122,730**	$ 107,044
Liabilities and Equity			
Current liabilities:			
Accounts payable and accrued liabilities		**$ 31,318**	$ 8,021
Total current liabilities		**31,318**	8,021
Total liabilities		**31,318**	8,021
Equity:			
Share capital	4(b)	**100,000**	100,000
Deficit		**(8,588)**	(977)
Total equity		**91,412**	99,023
Total liabilities and equity		**$ 122,730**	$ 107,044

On behalf of the board

"Dr. Albert D. Friesen"
Director

"Mr. Pieter DeVisser"
Director

See accompanying notes to the financial statements.

Buffalo Capital Inc.
Statements of Net Loss and Comprehensive Loss
(expressed in Canadian dollars)

	Note	31 Day Period Ended January 31, 2017	18 Day Period Ended December 31, 2016
Expenses			
General and administrative		**$ 7,611**	$ 977
Net loss and comprehensive loss		**$ 7,611**	$ 977
Loss per share attributable to shareholders:			
Basic and Diluted		**$ (0.01)**	$ -
Weighted average shares outstanding:			
Basic and Diluted		**1,000,000**	722,222

See accompanying notes to the financial statements.

Buffalo Capital Inc.
Statements of Changes in Equity
(expressed in Canadian dollars)

	Note		Share Capital		Equity (Deficit)		Total
Balance, December 14, 2016		$	-	$	-	$	-
Net loss for 18 days ended December 31, 2016			-		(977)		(977)
Transactions with owners, recorded directly in equity							
Issuance of common shares	4(b)		100,000		-		100,000
Total transactions with owners			100,000		-		100,000
Balance, December 31, 2016		$	100,000	$	(977)	$	99,023
Net loss for the 31 days ended January 31, 2017			**-**		**(7,611)**		**(7,611)**
Balance, January 31, 2017		**$**	**100,000**	**$**	**(8,588)**	**$**	**91,412**

See accompanying notes to the financial statements.

Buffalo Capital Inc.
Statements of Cash Flows
(expressed in Canadian dollars)

	Note	**31 Day Period Ended January 31, 2017**	18 Day Period Ended December 31, 2016
Cash (used in) provided by:			
Operating activities:			
Net loss for the period		**$ (7,611)**	$ (977)
Change in net working capital		**(3,589)**	977
Cash flows from operating activities		**(11,200)**	-
Financing activities:			
Issuance of common shares	4(b)	**-**	100,000
Cash flows from financing activities		**-**	100,000
(Decrease) increase in cash		**(11,200)**	100,000
Cash, beginning of period		**100,000**	-
Cash, end of period		**$ 88,800**	$ 100,000

See accompanying notes to the financial statements.

1. Nature and continuance of operations:

Buffalo Capital Inc. (the “Company”) was incorporated pursuant to the provisions of the Canada Business Corporations Act on December 14, 2016 and is classified as a Capital Pool Company as defined in TSX Venture Exchange (“TSX-V”) Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company’s head office is 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6. Its registered office is 301 – 1665 Ellis Street, Kelowna, British Columbia, Canada V1Y 2B3.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. The financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

As at January 31, 2017, the Company has working capital of $91,412, has not completed a Qualifying Transaction and may not be able to finance day to day activities through operations. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

2. Basis of preparation:

(a) Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

The financial statements were authorized for issue by the Board of Directors on February 27, 2017.

(b) Basis of presentation

These financial statements have been prepared on the historical cost basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

(c) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgements and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based payments and, recognition of deferred income tax amounts.

3. Significant accounting policies:

(a) Earnings per share

The Company presents basic earnings per share ("EPS") data for its common voting shares. Basic EPS is calculated by dividing the profit or loss attributable to common voting shareholders of the Company by the weighted average number of common voting shares outstanding during the period, adjusted for the Company's own shares held. Diluted EPS is computed similar to basic EPS except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercise were used to acquire common shares at the average market price during the reporting periods.

(b) Financial instruments

(i) Financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following category: loans and receivables. The Company has not classified any assets or liabilities as held-to-maturity or as available-for-sale.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Loans and receivables are comprised of cash.

(ii) Financial liabilities

The Company has the following non-derivative financial liabilities which are classified as other financial liabilities: accounts payable and accrued liabilities.

All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Costs incurred to obtain financing are deferred and amortized over the term of the associated debt using the effective interest method. Amortization is a non-cash charge to finance expense.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or when they expire.

(c) Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss for financial assets carried at amortized cost. The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument’s original effective interest rate. The carrying amount of the asset is reduced by this amount through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

3. Significant accounting policies (continued):

(d) Impairment of non-financial assets

The Company assesses at each reporting period whether there is an indication that a non-financial asset may be impaired. An impairment loss is recognized when the carrying amount of an asset, or its CGU, exceeds its recoverable amount. Impairment losses are recognized in net income and comprehensive income and included in research and development expense if they relate to patents. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount is the greater of the asset's or CGU's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less cost to sell, an appropriate valuation model is used. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

(e) Income taxes

Income tax expense comprises current and deferred taxes. Current taxes and deferred taxes are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive loss.

Current taxes are the expected tax receivable or payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax receivable or payable in respect of previous years.

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred taxes are not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred taxes are measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(expressed in Canadian dollars)

3. Significant accounting policies (continued):

(f) New standards and interpretations not yet adopted

IFRS 9 *Financial Instruments: Classification and Measurement* ("IFRS 9")

IFRS 9 replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, on the classification and measurement of financial assets. The standard eliminates the existing IAS 39 categories of held-to-maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive loss, with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions. The Company is currently evaluating the impact of the above standard on its financial statements.

4. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares.

(b) Shares issued and outstanding

Shares issued and outstanding are as follows:

	Number of Common Shares		Amount
Balance, December 14, 2016	-	$	-
Shares issued for cash [1]	1,000,000		100,000
Balance, December 31, 2016	1,000,000	$	100,000
Balance, January 31, 2017	**1,000,000**	**$**	**100,000**

[1] On December 19, 2016, the Company issued 1,000,000 common shares at a price of $0.10 per common share for gross proceeds of $100,000.

(c) Per share amounts

The weighted average number of common voting shares outstanding for the periods ended January 31, 2017 and December 31, 2016 was 1,000,000 and 722,222, respectively. There were no dilutive securities issued and as a result no dilution reflected in the per share amounts.

(expressed in Canadian dollars)

5. Income taxes:

A reconciliation of income taxes at the statutory rate of 27% is as follows:

		One month ended January 31, 2017		18 day period ended December 31, 2016
Loss for the period before income tax	$	(7,611)	$	(977)
Expected income tax recovery		(2,055)		(264)
Unrecognized benefits of non-capital losses		1,755		-
Unrecognized benefits of other temporary differences		300		264
	$	-	$	-

The significant components of the Company's unrecognized temporary deductible differences are as follows:

	January 31, 2017	Expiry Dates
Non-capital losses carried forward	6,500	2036-2037

6. Related party transactions:

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chief Executive Officer and Chief Financial Officer are key management personnel. There was no compensation expense during the month ended January 31, 2017 or the 18 day period ended December 31, 2016 pertaining to key management personnel compensation.

Directors and key management personnel control 100% of the voting shares of the Company as at January 31, 2017 (December 31, 2016 - 100%).

7. Financial instruments:

(a) Financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements as at January 31, 2017 and December 31, 2016:

		January 31, 2017				December 31, 2016		
		Carrying amount		Fair value		Carrying amount		Fair value
Financial assets								
Loans and receivables								
Cash	$	88,800	$	88,800	$	100,000	$	100,000
Financial liabilities								
Other financial liabilities								
Accounts payable and accrued liabilities	$	31,318	$	31,318	$	8,021	$	8,021

7. Financial instruments (continued):

(a) Financial assets and liabilities (continued)

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. The carrying values of current monetary assets and liabilities approximate their fair values due to their relatively short periods to maturity. Cash is measured at fair value using Level 1 inputs.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the periods ended January 31, 2017 and December 31, 2016, there were no transfers between Level 1 and Level 2 fair value measurements.

(b) Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks; market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. Risk management is the responsibility of the Company, which identifies, evaluates and, where appropriate, mitigates financial risks.

(i) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash and no interest-bearing debt and is not subject to significant interest rate risk.

(b) Foreign exchange risk is the risk that the fair value of future cash flows for financial instruments will fluctuate because of changes in foreign exchange rates. The Company's operations are in Canada and it is not currently exposed to foreign currency risk.

(c) The Company is not exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a partner or counterparty to a financial instrument fails to meet its contractual obligation and arises principally from the Company's cash. The carrying amounts of the financial assets represents the maximum credit exposure. The Company will limit its exposure to credit risk on cash by placing these financial instruments with high-credit quality financial institutions and the Company believes it has no significant credit risk.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities and to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations.

The Company's accounts payable and accrued liabilities are due within the current operating period and as at January 31, 2017, the Company has cash of $88,800 to settle current liabilities of $31,318.

7. Financial instruments (continued):

(c) Capital management

The Company defines its capital as cash and shareholder's equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the identification and evaluation of a Qualifying Transaction. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds may be required to finance the Company's Qualifying Transaction.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a proposed Qualifying Transaction, with the exception that up to the lesser of 30% and $210,000 of the gross proceeds from the sale of all securities issued by the Company may be used to cover prescribed costs of issuing the common shares and administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

Condensed Interim Financial Statements
(Expressed in Canadian Dollars)

BUFFALO CAPITAL INC.

Three months ended March 31, 2017 and 18 days ended December 31, 2016
(Unaudited)

Buffalo Capital Inc.
Condensed Interim Statements of Financial Position
(expressed in Canadian dollars)
(unaudited)

	Note		March 31, 2017		December 31, 2016
Assets					
Current assets:					
Cash		$	**89,500**	$	100,000
Accounts receivable			**348**		-
Prepaid expenses			**43,229**		7,044
Total current assets			**133,077**		107,044
Total assets		$	**133,077**	$	107,044
Liabilities and Equity					
Current liabilities:					
Accounts payable and accrued liabilities		$	**44,265**	$	8,021
Total current liabilities			**44,265**		8,021
Total liabilities			**44,265**		8,021
Equity:					
Share capital	4(b)		**100,000**		100,000
Deficit			**(11,188)**		(977)
Total equity			**88,812**		99,023
Nature and continuance of operations	1				
Subsequent events	1, 4(b) & 4(c)				
Total liabilities and equity		$	**133,077**	$	107,044

On behalf of the board

"Dr. Albert D. Friesen"
Director

"Mr. Pieter DeVisser"
Director

See accompanying notes to the financial statements.

Buffalo Capital Inc.
Condensed Interim Statements of Net Loss and Comprehensive Loss
(expressed in Canadian dollars)
(unaudited)

	Note	Three Months Ended March 31, 2017	18 Day Period Ended December 31, 2016
Expenses			
General and administrative		**$ 10,211**	$ 977
Net loss and comprehensive loss		**$ 10,211**	$ 977
Loss per share attributable to shareholders:			
Basic and Diluted		**$ (0.01)**	$ -
Weighted average shares outstanding:			
Basic and Diluted		**1,000,000**	722,222

See accompanying notes to the financial statements.

Buffalo Capital Inc.
Condensed Interim Statements of Changes in Equity
(expressed in Canadian dollars)
(unaudited)

	Note		Share Capital		Equity (Deficit)		Total
Balance, December 14, 2016		$	-	$	-	$	-
Net loss for 18 days ended December 31, 2016			-		(977)		(977)
Transactions with owners, recorded directly in equity							
Issuance of common shares	4(b)		100,000		-		100,000
Total transactions with owners			100,000		-		100,000
Balance, December 31, 2016		$	100,000	$	(977)	$	99,023
Net loss for the three months ended March 31, 2017			**-**		**(10,211)**		**(10,211)**
Balance, March 31, 2017		**$**	**100,000**	**$**	**(11,188)**	**$**	**88,812**

See accompanying notes to the financial statements.

Buffalo Capital Inc.
Condensed Interim Statements of Cash Flows
(expressed in Canadian dollars)
(unaudited)

	Note		Three Months Ended March 31, 2017		18 Day Period Ended December 31, 2016
Cash (used in) provided by:					
Operating activities:					
Net loss for the period		**$**	**(10,211)**	$	(977)
Change in net working capital			**(289)**		977
Cash flows from operating activities			**(10,500)**		-
Financing activities:					
Issuance of common shares	4(b)		**-**		100,000
Cash flows from financing activities			**-**		100,000
(Decrease) increase in cash			**(10,500)**		100,000
Cash, beginning of period			**100,000**		-
Cash, end of period		**$**	**89,500**	$	100,000

See accompanying notes to the financial statements.

1. Nature and continuance of operations:

Buffalo Capital Inc. (the "Company") was incorporated pursuant to the provisions of the Canada Business Corporations Act on December 14, 2016 and is classified as a Capital Pool Company as defined in TSX Venture Exchange ("TSX-V") Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company's head office is 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6. Its registered office is 301 – 1665 Ellis Street, Kelowna, British Columbia, Canada, V1Y 2B3.

Subsequent to March 31, 2017, on April 27, 2017, the Company completed its initial public offering (the "Offering") of 2,000,000 common shares at a price of $0.20 per common share for gross proceeds to the Company of $400,000. The net proceeds of the Offering will be used to identify and evaluate assets or businesses for acquisition with a view to completing a "Qualifying Transaction". The Company's common shares have been approved for listing on the TSX-V and the common shares commenced trading on the Exchange on April 28, 2017 under the symbol "BUFF.P".

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. The condensed interim financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

As at March 31, 2017, the Company has working capital of $88,812, has not completed a Qualifying Transaction and may not be able to finance day to day activities through operations. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

2. Basis of preparation:

(a) Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and do not include all of the information required for full annual financial statements.

The financial statements were authorized for issue by the Board of Directors on May 30, 2017.

(b) Basis of presentation

These condensed interim financial statements have been prepared on the historical cost basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

(c) Functional and presentation currency

The condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(d) Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgements and estimates, actual results may differ from these estimates.

(expressed in Canadian dollars)

2. Basis of preparation (continued):

(d) Use of estimates and judgments (continued)

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based payments and, recognition of deferred income tax amounts.

3. New standards and interpretations not yet adopted

IFRS 9 *Financial Instruments: Classification and Measurement* ("IFRS 9")

IFRS 9 replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, on the classification and measurement of financial assets. The standard eliminates the existing IAS 39 categories of held-to-maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive loss, with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions. The Company is currently evaluating the impact of the above standard on its financial statements.

IFRS 2, *Share-based Payment* ("IFRS 16")

In June 2016, the IASB issued amendments to IFRS 2, *Share-based Payment*, clarifying how to account for certain types of share-based payment transactions. The amendments will apply to periods beginning on or after January 1, 2018. The Company is currently evaluating the impact of the above amendments on its financial statements.

4. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares.

(b) Shares issued and outstanding

Shares issued and outstanding are as follows:

	Number of Common Shares		Amount
Balance, December 14, 2016	-	$	-
Shares issued for cash (1)	1,000,000		100,000
Balance, December 31, 2016	1,000,000	$	100,000
Balance, March 31, 2017	**1,000,000**	**$**	**100,000**

(1) On December 19, 2016, the Company issued 1,000,000 common shares at a price of $0.10 per common share for gross proceeds of $100,000.

Subsequent to March 31, 2017, on April 27, 2017, the Company completed its initial public offering (the “Offering”) of 2,000,000 common shares at a price of $0.20 per common share for gross proceeds to the Company of $400,000. The net proceeds of the Offering will be used to identify and evaluate assets or businesses for acquisition with a view to completing a “Qualifying Transaction”. The Company’s common shares have been approved for listing on the TSX-V and the common shares commenced trading on the Exchange on April 28, 2017 under the symbol “BUFF.P”.

4. Capital stock (continued):

(b) Shares issued and outstanding (continued)

PI Financial Corp. (the "Agent") acted as the sole lead agent for the Offering. The Agent received a cash commission equal to 10% of the gross proceeds of the Offering and an option to purchase 200,000 Shares at a price of $0.20 per share for a period of 24 months from the date of listing of the shares on the Exchange. The Agent also received a corporate finance fee of $10,000, plus taxes.

As a result of the closing of its initial public offering, Buffalo now has 3,000,000 Shares issued and outstanding (1,000,000 of which are subject to escrow restrictions).

(c) Stock option plan

Upon closing of the Offering described in note 4(b), the Company granted 300,000 incentive stock options to its directors and officers which are exercisable within ten years from the date of the grant at an exercise price of $0.20 per Share.

(d) Per share amounts

The weighted average number of common voting shares outstanding for the periods ended March 31, 2017 and December 31, 2016 was 1,000,000 and 722,222, respectively. There were no dilutive securities issued and as a result no dilution reflected in the per share amounts.

5. Related party transactions:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chief Executive Officer and Chief Financial Officer are key management personnel. There was no compensation expense during the three months ended March 31, 2017 or the 18-day period ended December 31, 2016 pertaining to key management personnel compensation.

Directors and key management personnel control 100% of the voting shares of the Company as at March 31, 2017 (December 31, 2016 - 100%).

SCHEDULE "B"
(Buffalo Management's Discussion and Analysis)

BUFFALO CAPITAL INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2017 AND FROM DECEMBER 14, 2016, DATE OF INCORPORATION, TO MARCH 31, 2017

BACKGROUND

This Management's Discussion and Analysis ("MD&A") of Buffalo Capital Inc. ("Buffalo" or the "Company") is dated May 30, 2017 and provides an analysis of the Company's operations for the three months ended March 31, 2017. This MD&A should be read in conjunction with the unaudited condensed financial statements and accompanying notes for the three months ended March 31, 2017 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are in Canadian dollars unless otherwise specified. The financial statements are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com under the Company's profile. The common shares of Buffalo are traded on the TSX Venture Exchange (the "Exchange" or the "TSX-V") under the symbol "BUFF.P".

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A are forward-looking statements or information (collectively – forward-looking statements). Buffalo is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors many of which are beyond the control of Buffalo, that could influence actual results include, but are not limited to: lack of operating history; regulatory risks; substantial capital and liquidity requirements; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; conflicts of interest of management; exposure to potential litigation, and other factors beyond the control of Buffalo.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, Buffalo undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of Buffalo or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk and Uncertainties".

CORPORATION OVERVIEW

Buffalo was incorporated pursuant to the Canada Business Corporations Act ("CBCA") on December 14, 2016 and is classified as a Capital Pool Company as defined in TSX-V Policy 2.4 – Capital Pool Companies. The Company's head office is located at 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6 and the Company's registered office is 301 – 1665 Ellis Street, Kelowna, British Columbia, Canada, V1Y 2B3.

Subsequent to March 31, 2017, on April 27, 2017, the Company completed its initial public offering (the "Offering") of 2,000,000 common shares at a price of $0.20 per common share for gross proceeds to the Company of $400,000. The net proceeds of the Offering will be used to identify and evaluate assets or businesses for acquisition with a view to completing a "Qualifying Transaction". The Company's common shares have been approved for listing on the TSX-V and the common shares commenced trading on the Exchange on April 28, 2017 under the symbol "BUFF.P".

PI Financial Corp. (the "Agent") acted as the sole lead agent for the Offering. The Agent received a cash commission equal to 10% of the gross proceeds of the Offering and an option to purchase 200,000 common shares at a price of $0.20 per common share for a period of 24 months from the date of listing of the common shares on the Exchange. The Agent also received a corporate finance fee of $10,000, plus taxes.

Upon closing of the Offering and as disclosed in the Prospectus, the Company granted 300,000 incentive stock options to its directors and officers which are exercisable within ten years from the date of the grant at an exercise price of $0.20 per Share. As a result of the closing of its initial public offering the Company now has 3,000,000 common shares issued and outstanding (1,000,000 of which are subject to escrow restrictions).

The principal business of the Company is the identification and evaluation of a “Qualifying Transaction” and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities. Qualifying Transaction means a transaction where a CPC acquires significant assets, other than cash, by way of purchase, amalgamation merger or arrangement with another company or by other means. Any Qualifying Transaction must be approved by the Exchange, and in the case of a Non-Arm’s Length Qualifying Transaction, must also receive Majority of the Minority Approval, in accordance with the CPC Policy. The Company is currently investigating prospective acquisitions and is devoting all of its present efforts to securing and establishing a new business and its planned principal operations have not commenced. Accordingly, no revenue has been derived during the period from December 14, 2016, date of incorporation, to March 31, 2017. The Corporation’s fiscal year end is December 31st.

RESULTS OF OPERATIONS

(in CDN $)	**Three months ended March 31, 2017**	18 days ended December 31, 2016	Increase
General and administrative expenses			
Professional fees	**$ 10,211**	$ 977	$ 9,234
Net loss and comprehensive loss	**$ 10,211**	**$ 977**	**$ 9,234**

LIQUIDITY AND CAPITAL RESOURCES

The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. The Company’s financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

As at March 31, 2017, the Company has working capital of $88,812, which consisted of cash of $89,500, other current assets of $43,577 and accounts payable and accrued liabilities of $44,265. The Company has not completed a Qualifying Transaction and may not be able to finance day to day activities through operations. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

The Corporation’s future revenues, if any, are expected to be from a health based business.

TRANSACTIONS WITH RELATED PARTIES

There was no compensation to key management personnel during the period.

OFF BALANCE SHEET ITEMS

The Corporation has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

Authorized capital stock consists of an unlimited number of common voting shares. As at March 31, 2017, there were 1,000,000 common shares of the Corporation issued and outstanding.

OUTSTANDING STOCK OPTIONS AS AT MAY 30, 2017

The Board of Directors of the Company has adopted an incentive stock option plan ("Option Plan"). Under the Option Plan, the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements and applicable securities legislation, grant to directors, officers, employees, consultants and management or employees of the Company, non-transferable options to purchase Common Shares, exercisable for a period of up to 10 years from the date of grant. The number of Common Shares reserved for issuance under the Stock Option Plan will not exceed 10% of the issued and outstanding Common Shares of the Company from time to time. The number of Common Shares reserved for issuance to any one individual director, officer or employee of the Company may not exceed 5% of the issued and outstanding Common Shares and the aggregate number of Common Shares reserved for issuance to any one consultant will not exceed 2% of the issued and outstanding Common Shares. Vesting terms are determined by the Board of Directors at the time of grant.

Subsequent to March 31, 2017, on April 27, 2017, the Company granted 300,000 incentive stock options to its directors and officers which are exercisable within ten years from the date of the grant at an exercise price of $0.20 per common share.

In connection with the Company's Offering, the Agent received an option to purchase 200,000 common shares at a price of $0.20 per share for a period of 24 months from the date of listing of the shares on the Exchange.

RISKS AND UNCERTAINTIES

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its plans could be adversely affected.

Lack of Operating History

i. the Company has not commenced commercial operations, has no significant assets other than cash, has no history of earnings and shall not generate earnings or pay dividends until at least after completion of a Qualifying Transaction;

ii. until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions; and

iii. the Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

Substantial Capital Requirements

Substantial additional funds for the establishment of the Company's planned operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Competition

The health care industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources. Competition could adversely affect the Company's ability to acquire suitable prospects in the future.

Financing Risks and Dilution to Shareholders

The Company has limited financial resources, no operations and no revenues. If the Company's business plan is successful, additional funds will be required. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the CBCA in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the CBCA. In accordance with the laws of Canada, the directors and officers of the Company are required to act honestly, in good faith and in the best interest of the Company.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Buffalo's expenses are provided in the Company's statement of loss and note disclosures contained in its financial statements for the three months ended March 31, 2017. These statements are available on Buffalo's SEDAR page accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for corporate development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

Management’s Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Nature of the Securities

The purchase of the Company’s securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company’s securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Proposed Transactions

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A.

Approval

The Board of Directors oversees management’s responsibility for financial reporting and internal control systems through an Audit Committee. This Committee intends to meet periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Dated: May 30, 2017

APPENDIX "I"
INFORMATION CONCERNING WAVERLEY PHARMA INC. PRIOR TO THE AMALGAMATION

NOTICE TO READERS

All capitalized terms used in this Appendix "I" but not otherwise defined herein have the same meanings set forth in the "Glossary of Terms" in the Information Circular.

No securities regulatory authority has expressed an opinion about the Amalgamation, and it is an offence to claim otherwise. An investment in Waverley should be considered highly speculative due to the nature of its activities and the present stage of its development. See "*Risk Factors*".

The following information is a summary of the business and affairs of Waverley and should be read in conjunction with the audited and unaudited financial statements regarding Waverley contained in this Appendix "I" and in the Information Circular.

FORWARD-LOOKING STATEMENTS

Certain information and statements contained in this Appendix "I" contain "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") as defined under Applicable Laws. All forward-looking statements other than statements of historical fact contained in this Appendix "I" are forward-looking statements, including but not limited to, operational information and future plans. Reference is made to "Cautionary Notice Regarding Forward-Looking Information" in the body of the Information Circular for information regarding forward-looking statements. The forward-looking statements and information contained in this Appendix "I" are expressly qualified in their entirety by the cautionary statements set forth in the body of the Information Circular under the heading "Cautionary Notice Regarding Forward-Looking Information". Readers are cautioned not to place undue reliance on forward-looking statements contained in this Appendix "I", which reflect the analysis of the management of Waverley only as of the date of this Information Circular. Neither Waverley nor Buffalo undertakes any obligation to release publicly the results of any revision to these forward-looking statements which may be made to reflect events or circumstances after the date of the Information Circular or to reflect the occurrence of unanticipated events, except as required by Applicable Laws.

CORPORATE STRUCTURE

Waverley Pharma Inc. ("**Waverley**") was incorporated on February 26, 2014 by Certificate of Incorporation issued pursuant to the provisions of the *Canada Business Corporations Act* under the name "Waverley Pharma Inc.". The head and registered office of the Corporation is located at 4 -1250 Waverley Street, Winnipeg, MB R3T 6C6.

Waverley has a wholly-owned subsidiary, Waverley Pharma International Inc. (the "**Waverley Subsidiary**"), that was incorporated in Barbados.

GENERAL DEVELOPMENT OF THE BUSINESS

Waverley is dedicated to the development and commercialization of safe, effective and affordable oncology drugs. Waverley's original focus was on the discovery of novel small molecule drugs in oncology. Waverley's initial research project was initiated in 2014 and was the development of a novel poly (ADP-ribose) polymerase 1 ("**PARP-1**") inhibitor for cancer treatment. Inhibitors of PARP-1 are a newer class of anti-cancer agents of clinical importance in various types of cancer. A provisional patent for PARP-1 was filed in August 2016. Waverley has synthesized numerous small molecule compounds and had them tested for anti-cancer activity with the goal of developing a novel lead compound that can enter pre-clinical testing. In the third quarter of 2016, and in an effort to augment the product pipeline and vastly reduce the time to revenue and profitability, Waverley's focus shifted to the generic oncology injectable market in the European Union and North America. Using the network of contacts and relationships that its Directors and senior management have developed in the industry, Waverley has been searching out products and in licensing opportunities that fit with its current focus. Recently, Waverley, through its wholly-owned subsidiary, Waverley Pharma International Inc., entered into the Waverley Term Sheet with Reliance Life

Sciences Private Limited ("**Reliance**"), based in Mumbai, India, in order to obtain an exclusive license to market, sell and distribute WAV-101 and WAV-102 in the Territory and a non-exclusive license to market, sell and distribute the WAV-101 and WAV-102 in the United Kingdom. Waverley also plans to build a pipeline of injectable products, through licensing arrangements with established third party generic product manufacturers.

NARRATIVE DESCRIPTION OF THE BUSINESS

In an effort to augment its product pipeline and vastly reduce the time to revenue and profitability, Waverley's current focus is on the generic oncology injectable market in the European Union and North America. Recently, Waverley, through its wholly-owned subsidiary, Waverley Pharma International Inc., entered into the Waverley Term Sheet in order to obtain an exclusive license to market, sell and distribute WAV-101 and WAV-102 in the Territory and a non-exclusive license to market, sell and distribute the WAV-101 and WAV-102 in the United Kingdom. Waverley also plans to build a pipeline of injectable products, through licensing arrangements with established third party generic product manufacturers.

WAV-101 is an injectable generic chemotherapy drug, developed for the treatment of non-small cell lung cancer and pleural mesothelioma. Currently, there are no marketed generics for this product and the brand generates yearly revenue of over USD 1 billion. WAV-102 is also an injectable generic chemotherapy drug, developed for the treatment of multiple myeloma and mantle cell lymphoma. Currently, there are no marketed generics for this product and the brand generates yearly revenue of over USD 800 million. As the drug substance and drug product patents for the branded version of these two drugs near expiry, several generics are expected to compete in these therapeutic segments.

Under the proposed terms of the license for WAV-101 and WAV-102, Reliance is expected to be responsible for maintaining a United States Federal Drug Administration ("**FDA**") audited manufacturing facility and will provide WAV-101 and WAV-102 to Waverley at a predetermined transfer price, plus a royalty on net sales of WAV-101 and WAV-102. Waverley is expected to be responsible for the regulatory filings in the United States and the commercialization of WAV-101 and WAV-102, either through its own team or through marketing partners.

Waverley plans to file applications in the Territory for the approval of WAV-101 and WAV-102; and, if successful, utilize its contacts and marketing relationships to commercialize WAV-101 and WAV-102.

There are three defined procedures to obtain approval for a medicinal product in the European Union. Waverley intends to use the Decentralized Procedure ("**DCP**") for approval of its two products in selected countries in the European Union and through a regular Abbreviated New Drug Application in the United States. The DCP is a European authorisation route resulting in a mutually recognised product ("**MRP**") and enables Waverley to obtain marketing authorizations in several member states, when no marketing authorization has been granted in the European Community as a whole. The key distinction between MRP and DCP is that a product must already be authorised in at least one member state on a national basis in order for MRP to be used. DCP may be used if the product is not already authorised in any member state, but does not want to use the centralised procedure, due to existing patents or other requirements. One of the proposed member states will be asked by the applicant company to act as Reference Member State (an "**RMS**"). The RMS does the initial evaluation of the product and issues a draft assessment report. The other member states, either agree with the RMS's evaluation or they ask further questions/raise objections. If all the issues are resolved and the application is successful, each member state will then issue a "Marketing Authorization" for that product permitting it to be marketed in their country. All the studies required for the submission of WAV-101 and WAV-102 for approval have been completed by Reliance and no new clinical studies are currently planned.

Reliance will also be audited by the appropriate regulatory agencies prior to approval for WAV-101 and WAV-102 being granted, and any deficiencies in the manufacturing process or facilities could have a negative impact on Waverley's business. As both WAV-101 and WAV-102 are generic versions of approved drugs, the regulatory process is currently expected to be relatively straightforward as compared to new chemical products. Notwithstanding the foregoing, gaining regulatory approval in any jurisdiction cannot be assured and delays in obtaining any such approvals could substantially and negatively impact Waverley's prospects.

It is currently anticipated that Reliance will manufacture WAV-101 and WAV-102 at its facilities located in Navi Mumbai, India for Waverley. The manufactured product is expected to be transferred to Waverley at a fixed transfer price, plus a royalty on net sales. Subject to receipt of all requisite approvals, WAV-101 and WAV-102 are expected to be marketed in Europe through a marketing partner. In the United States and Canada, it is expected that Waverley will commercialize the drugs either on its own or through one or more partnerships. Waverley is currently in discussions with multiple entities that have specialized knowledge of the generic drug business, however the company has not yet entered into any agreement for the provision of marketing services.

The successful commercialization of generic drug products is dependent on a number of factors, including, but not limited to having a significant understanding of the generic drug industry and having a consistent supply of product and affordable pricing. Waverley believes that it has or has access to the expertise required for the successful commercialization of WAV-101 and WAV-102, either through existing internal expertise developed through multiple years in the industry, new hires or through its network of potential partners. The pricing and availability of the materials required for the manufacture of WAV-101 and WAV-102 will be fixed in the Waverley License, Manufacture and Supply Agreement, and Waverley does not currently anticipate any supply risks concerning WAV-101 and WAV-102.

WAV-101 and WAV-102 are the generic versions of accepted branded formulations used to treat advanced non-squamous cell lung cancer, multiple myeloma and mantle cell lymphoma. It is not expected that WAV-101 or WAV-102 will benefit from any patent protections. It is expected that upon expiry of the patents protecting the branded drugs, multiple generic drug manufacturers will enter the market for these drugs. These potential competitors include generic drug companies such as Teva, Sun Pharma and Apotex, among others.

In addition to its head office in Canada and wholly-owned subsidiary in Barbados, Waverley is exploring establishing a subsidiary in the European Union to help advance its products. This would help navigate the regulatory process and realize commercial potential of Waverley's innovative products in the region.

It is expected that almost all of Waverley's financial and human resources will be used to in license and commercialize its generic injectable product portfolio over the next 24 month period. During this time, the majority of its resources will be spent on obtaining regulatory approvals for its two generic oncology drugs in the European Union and the United States, and milestone payments to its licensing partner, Reliance.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Annual Information

The following table sets out selected historical financial information for Waverley for the years ended December 31, 2016 and 2015 and for the 309 day period ended December 31, 2014.

	For the Year Ended December 31, 2016	**For the Year Ended December 31, 2015**	**For the Period December 31, 2014**
Income Statement Data			
Total Expenses	$1,078	$10,646	-
Net Loss	$1,078	$10,646	-

	As at December 31, 2016	**As at December 31, 2015**	**As at December 31, 2014**
Balance Sheet Data			
Total Assets	$100	$100	$100
Total Liabilities	$11,724	$10,646	-

Quarterly Information

	For the Three Months Ended March 31, 2017
Income Statement Data	
Total Expenses	$130
Net Loss	$130

Management's Discussion and Analysis

See Waverley's management's discussion and analysis for the year ended December 31, 2016 and for the three-month interim period ended March 31, 2017 (the "**MD&A**") attached as Schedule "B" of this Appendix "I", which is incorporated by reference herein. The MD&A should be read in conjunction with Waverley's financial statements included in Schedule "A" of this Appendix "I".

Trends

Some of the key trends which could impact Waverley and other generic pharmaceutical companies are as follows:

1. Consolidation in the Contract Research organization ("**CRO**") and Contract Manufacturing organization ("**CMO**") industry, which could impact on Waverley's project timelines, budgets, personnel and other resources. Waverley and its partners sometimes rely on active pharmaceutical ingredient ("**API**") CRO's and CMO's for key starting materials and drug substances, and consolidation in this industry could have an impact on Waverley's future prospects.

2. Increased merger and acquisition activity in the pharmaceutical industry. According to a Boston Consulting Group survey, today about 70% of new sales come from drugs initially developed by small companies, up from 30% in 1990. In addition, a possible change in tax codes to allow U.S.-based big pharmaceutical companies to repatriate dollars being "hoarded" overseas gives big pharmaceutical companies the incentive and the means to increase merger and acquisition activity in the coming months.

3. Potential reduction in USFDA red tape or at least a halt in consistently adding more regulations and a speedier USFDA approval process that could reduce its backlog by the end of next year. There is also significant uncertainty around the USFDA based on their being a new administration in power in Washington, D.C. To successfully navigate the uncertainty, companies like Waverley need to remain agile and attentive to changes that are likely to occur.

4. Significant uncertainty around drug pricing. There is sentiment out there that the new administration in the United States may support easing restrictions on off-label use of drugs, though insurance companies may not cover a new indication without specific clinical trials. The administration has also vowed to reduce drug prices, which could negatively impact the pharmaceutical industry.

LEGAL PROCEEDINGS

There are no actual material legal proceedings to which Waverley is a party or which any of its assets is subject. Management of Waverley is not aware of any such legal proceedings contemplated against Waverley.

MATERIAL CONTRACTS

Waverley has not entered into any material contracts other than the following:

1. Amalgamation Agreement dated August 8**,** 2017 between Buffalo and Waverley Pharma Inc.

2. Waverley Term Sheet dated July 5, 2017 between Waverley and Reliance Life Sciences Private Limited.

Copies of these agreements will be available for inspection at the registered office of Waverley located at 4 -1250 Waverley Street, Winnipeg, MB R3T 6C6, during ordinary business hours up to and including the date of closing of the Amalgamation and for a period of thirty (30) days thereafter.

SCHEDULE "A"
(Waverley Financial Statements)

Financial Statements
(Expressed in Canadian Dollars)

WAVERLEY PHARMA INC.

For the years ended December 31, 2016 and 2015

Independent Auditors' Report

To the Shareholders of Waverley Pharma Inc.:

We have audited the accompanying financial statements of Waverley Pharma Inc., which comprise the statements of financial position as at December 31, 2016 and December 31, 2015 and the statements of net loss and comprehensive loss, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Waverley Pharma Inc. as at December 31, 2016 and December 31, 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 2(c) in the financial statements which indicates that Waverley Pharma Inc. is a research and development stage company and as such is primarily dependent on the funding of new investors. This condition, along with the other matters as set forth in Note 2(c), indicate the existence of a material uncertainty that may cast significant doubt about Waverley Pharma Inc.'s ability to continue as a going concern.

Winnipeg, Manitoba

MNP LLP

August 1, 2017

Chartered Professional Accountants

MNP LLP

Waverley Pharma Inc.
Statements of Financial Position
(expressed in Canadian dollars)

	Note	December 31, 2016		December 31, 2015	
Assets					
Current assets:					
Cash		**$**	**100**	$	100
Total current assets			**100**		100
Total assets		**$**	**100**	$	100
Liabilities and Equity					
Current liabilities:					
Accounts payable and accrued liabilities	6(b)	**$**	**11,724**	$	10,646
Total current liabilities			**11,724**		10,646
Total liabilities			**11,724**		10,646
Equity:					
Share capital	4(b)		**100**		100
Deficit			**(11,724)**		(10,646)
Total equity			**(11,624)**		(10,546)
Subsequent events	8				
Total liabilities and equity		**$**	**100**	$	100

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Statements of Net Loss and Comprehensive Loss
(expressed in Canadian dollars)

	Note		Year ended December 31, 2016		Year ended December 31, 2015
Expenses					
General and administrative		**$**	**165**	$	316
Research and development			**913**		10,330
Net loss and comprehensive loss		**$**	**1,078**	$	10,646
Loss per share attributable to shareholders:					
Basic and Diluted		**$**	**(10.78)**	$	(106.46)
Weighted average shares outstanding:					
Basic and Diluted			**100**		100

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Statements of Changes in Equity
(expressed in Canadian dollars)

	Note		Share Capital		Equity (Deficit)		Total
Balance, December 31, 2014		$	100	$	-	$	100
Net loss for year ended December 31, 2015			-		(10,646)		(10,646)
Balance, December 31, 2015		$	100	$	(10,646)	$	(10,546)
Net loss for the year ended December 31, 2016			**-**		**(1,078)**		**(1,078)**
Balance, December 31, 2016		**$**	**100**	**$**	**(11,724)**	**$**	**(11,624)**

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Statements of Cash Flows
(expressed in Canadian dollars)

	Note		**Year ended December 31, 2016**		Year ended December 31, 2015
Cash (used in) provided by:					
Operating activities:					
Net loss for the period		**$**	**(1,078)**	$	(10,646)
Change in net working capital			**1,078**		10,646
Cash flows from operating activities			**-**		-
(Decrease) increase in cash			**-**		-
Cash, beginning of period			**100**		100
Cash, end of period		**$**	**100**	$	100

See accompanying notes to the financial statements.

1. Nature and continuance of operations:

Waverley Pharma Inc. (the "Company") was incorporated pursuant to the provisions of the Canada Business Corporations Act on February 26, 2014. The Company is a biopharmaceutical company engaged in the research, development and commercialization of human therapeutics focused on oncology.

The Company's head office and registered office is 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6.

2. Basis of preparation:

(a) Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on August 1, 2017.

(b) Basis of presentation

These financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss are measured at fair value.

(c) Going concern

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on the funding of new investors to continue as a going concern. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern. In the future, the Company's ability to continue as a going concern will be dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain borrowings from third parties sufficient to meet current and future obligations and/or restructure the existing liabilities. These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

(d) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(e) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgements and estimates, actual results may differ from these estimates.

2. Basis of preparation (continued):

(e) Use of estimates and judgments (continued)

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amount recognized in the financial statements:

- Research costs are recognized as an expense when incurred by development costs may be capitalized as intangible assets if certain conditions are met as described in IAS 38, *Intangible Assets*. Management has determined that development costs do not meet the conditions for capitalization under IAS 38 and all research and development costs have been expensed.
- Management is required to determine whether or not the going concern assumption is appropriate for the Company at the end of each reporting period. Considerations taken into account include available information about the future including the availability of financing and revenue projection, as well as current working capital balances and future commitments of the Company

3. Significant accounting policies:

(a) Earnings per share

The Company presents basic earnings per share ("EPS") data for its common voting shares. Basic EPS is calculated by dividing the profit or loss attributable to common voting shareholders of the Company by the weighted average number of common voting shares outstanding during the period, adjusted for the Company's own shares held. Diluted EPS is computed similar to basic EPS except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercise were used to acquire common shares at the average market price during the reporting periods.

(b) Financial instruments

(i) Financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following category: loans and receivables. The Company has not classified any assets or liabilities as held-to-maturity or as available-for-sale.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Loans and receivables are comprised of cash.

3. Significant accounting policies (continued):

(b) Financial instruments (continued)

(ii) Financial liabilities

The Company has the following non-derivative financial liabilities which are classified as other financial liabilities: accounts payable and accrued liabilities.

All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Costs incurred to obtain financing are deferred and amortized over the term of the associated debt using the effective interest method. Amortization is a non-cash charge to finance expense.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or when they expire.

(c) Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss for financial assets carried at amortized cost. The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(d) Impairment of non-financial assets

The Company assesses at each reporting period whether there is an indication that a non-financial asset may be impaired. An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. Impairment losses are recognized in net income and comprehensive income and included in research and development expense if they relate to patents. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount is the greater of the asset's or CGU's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less cost to sell, an appropriate valuation model is used. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

3. Significant accounting policies (continued):

(e) Income taxes

Income tax expense comprises current and deferred taxes. Current taxes and deferred taxes are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive loss.

Current taxes are the expected tax receivable or payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax receivable or payable in respect of previous years.

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred taxes are not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred taxes are measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(f) New standards and interpretations not yet adopted

IFRS 9 *Financial Instruments: Classification and Measurement* ("IFRS 9")

IFRS 9 replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, on the classification and measurement of financial assets. The standard eliminates the existing IAS 39 categories of held-to-maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive loss, with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions. The Company is currently evaluating the impact of the above standard on its financial statements.

(expressed in Canadian dollars)

4. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares.

(b) Shares issued and outstanding

Shares issued and outstanding are as follows:

	Number of Common Shares		Amount
Balance, December 31, 2014	100	$	100
Balance, December 31, 2015	100	$	100
Balance, December 31, 2016	**100**	**$**	**100**

(c) Per share amounts

The weighted average number of common voting shares outstanding for the years ended December 31, 2016 and December 31, 2015 was 100. There were no dilutive securities issued and as a result no dilution reflected in the per share amounts.

5. Income taxes:

A reconciliation of income taxes at the statutory rate of 27% is as follows:

		Year ended December 31, 2016		Year Ended December 31, 2015
Loss for the period before income tax	**$**	**(1,078)**	$	(10,646)
Expected income tax recovery		**(291)**		(2,874)
Unrecognized benefits of non-capital losses		**291**		2,874
	$	**-**	$	-

The significant components of the Company's unrecognized temporary deductible differences are as follows:

		December 31, 2016	**Expiry dates**
Non-capital losses carried forward	**$**	**11,724**	**2035-2036**

(expressed in Canadian dollars)

6. Related party transactions:

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors and the President and Secretary of the Company are key management personnel. There was no compensation expense during the years ended December 31, 2016 and 2015 pertaining to key management personnel compensation.

Directors and key management personnel control 100% of the voting shares of the Company as at December 31, 2016 (December 31, 2015 - 100%).

(b) Transactions with related parties

During the year ended December 31, 2016, Genesys Venture Inc. ("GVI"), a company controlled by the President and Secretary of the Company, paid expenses totaling $165 (December 31, 2015 - $316) on behalf of the Company. Additionally, during the year ended December 31, 2016, CanAm Bioresearch Inc. ("CanAm"), a company controlled by a close family member of the President and Secretary, paid expenses totaling $913 (December 31, 2015 - $10,330) on behalf of the Company.

As at December 31, 2016, included in accounts payable and accrued liabilities is $481 (December 31, 2015 - $316) payable to GVI and $11,243 (December 31, 2015 - $10,330) payable to CanAm, which are unsecured, payable on demand and do not bear interest.

7. Financial instruments:

(a) Financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements as at December 31, 2016 and 2015:

	December 31, 2016		December 31, 2015	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Loans and receivables				
Cash	**$ 100**	**$ 100**	$ 100	$ 100
Financial liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	**$ 11,724**	**$ 11,724**	$ 10,646	$ 10,646

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. The carrying values of current monetary assets and liabilities approximate their fair values due to their relatively short periods to maturity. Cash is measured at fair value using Level 2 inputs.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the periods ended December 31, 2016 and 2015, there were no transfers between Level 1 and Level 2 fair value measurements.

7. Financial instruments (continued):

(b) Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks; market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. Risk management is the responsibility of the Company, which identifies, evaluates and, where appropriate, mitigates financial risks.

(i) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash and no interest-bearing debt and is not subject to significant interest rate risk.

(b) Foreign exchange risk is the risk that the fair value of future cash flows for financial instruments will fluctuate because of changes in foreign exchange rates. The Company’s operations are in Canada and it is not currently exposed to foreign currency risk.

(c) The Company is not exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company’s earnings due to movements in individual equity prices or general movements in the level of the stock market.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a partner or counterparty to a financial instrument fails to meet its contractual obligation and arises principally from the Company’s cash. The carrying amounts of the financial assets represents the maximum credit exposure. The Company will limit its exposure to credit risk on cash by placing these financial instruments with high-credit quality financial institutions and the Company believes it has no significant credit risk.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities and to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations.

The Company’s accounts payable and accrued liabilities are due within the current operating period and as at December 31, 2016, the Company has cash of $100 to settle current liabilities of $11,724.

(c) Capital management

The Company defines its capital as cash and shareholder’s equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its business. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds will be required to advance the Company’s business.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

8. Subsequent events:

On June 21, 2017, the Company incorporated a wholly-owned subsidiary under the Companies Act of Barbados named Waverley Pharma International Inc. ("WPI").

On July 5, 2017, WPI signed a binding term sheet with an Indian pharmaceutical company to acquire exclusive licenses to two generic cancer drugs in the United States of America and its territories, Canada and Europe, excluding the United Kingdom, where a non-exclusive license was acquired. An up-front payment of US$20,000 was made upon the signing of the term sheet, with additional payments of US$1,380,000 due and payable upon certain development and approval based milestones being met. Additionally, under the term sheet, WPI will purchase inventory and pay a royalty of 7.5% of its net sales from these two products.

Financial Statements
(Expressed in Canadian Dollars)

WAVERLEY PHARMA INC.

For the year ended December 31, 2015 and the 309 day period ended December 31, 2014

Independent Auditors' Report

To the Shareholders of Waverley Pharma Inc.:

We have audited the accompanying financial statements of Waverley Pharma Inc., which comprise the statements of financial position as at December 31, 2015 and December 31, 2014 and the statements of net loss and comprehensive loss, changes in equity and cash flows for the periods then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Waverley Pharma Inc. as at December 31, 2015 and December 31, 2014 and its financial performance and its cash flows for the periods then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 2(c) in the financial statements which indicates that Waverley Pharma Inc. is a research and development stage company and as such is primarily dependent on the funding of new investors. This condition, along with the other matters as set forth in Note 2(c), indicate the existence of a material uncertainty that may cast significant doubt about Waverley Pharma Inc.'s ability to continue as a going concern.

MNP LLP

Winnipeg, Manitoba
August 1, 2017

Chartered Professional Accountants

MNP LLP

Waverley Pharma Inc.
Statements of Financial Position
(expressed in Canadian dollars)

	Note	December 31, 2015	December 31, 2014
Assets			
Current assets:			
Cash		**$ 100**	$ 100
Total current assets		**100**	100
Total assets		**$ 100**	$ 100
Liabilities and Equity			
Current liabilities:			
Accounts payable and accrued liabilities	6(b)	**$ 10,646**	$ -
Total current liabilities		**10,646**	-
Total liabilities		**10,646**	-
Equity:			
Share capital	4(b)	**100**	100
Deficit		**(10,646)**	-
Total equity		**(10,546)**	100
Subsequent events	8		
Total liabilities and equity		**$ 100**	$ 100

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Statements of Net Loss and Comprehensive Loss
(expressed in Canadian dollars)

	Note	Year ended December 31, 2015	309 day period ended December 31, 2014
Expenses			
General and administrative		$ 316	$ -
Research and development		10,330	-
Net loss and comprehensive loss		$ 10,646	$ -
Loss per share attributable to shareholders:			
Basic and Diluted		$ (106.46)	$ -
Weighted average shares outstanding:			
Basic and Diluted		100	100

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Statements of Changes in Equity
(expressed in Canadian dollars)

	Note	Share Capital	Equity (Deficit)	Total
Balance, February 26, 2014		$ -	$ -	$ -
Issuance of common shares	4(b)	100	-	100
Balance, December 31, 2014		$ 100	$ -	$ 100
Net loss for the year ended December 31, 2015		**-**	**(10,646)**	**(10,646)**
Balance, December 31, 2015		**$ 100**	**$ (10,646)**	**$ (10,546)**

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Statements of Cash Flows
(expressed in Canadian dollars)

	Note	Year ended December 31, 2015	309 day period ended December 31, 2014
Cash (used in) provided by:			
Operating activities:			
Net loss for the period		$ (10,646)	$ -
Change in net working capital		10,646	-
Cash flows from operating activities		-	-
Financing activities:			
Issuance of common shares	4(b)	-	100
Cash flows from financing activities		-	100
(Decrease) increase in cash		-	100
Cash, beginning of period		100	-
Cash, end of period		$ 100	$ 100

See accompanying notes to the financial statements.

1. Nature and continuance of operations:

Waverley Pharma Inc. (the “Company”) was incorporated pursuant to the provisions of the Canada Business Corporations Act on February 26, 2014. The Company is a biopharmaceutical company engaged in the research, development and commercialization of human therapeutics focused on oncology.

The Company’s head office and registered office is 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6.

2. Basis of preparation:

(a) Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

The financial statements were authorized for issue by the Board of Directors on August 1, 2017.

(b) Basis of presentation

These financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss are measured at fair value.

(c) Going concern

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on the funding of new investors to continue as a going concern. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern. In the future, the Company's ability to continue as a going concern will be dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain borrowings from third parties sufficient to meet current and future obligations and/or restructure the existing liabilities. These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

(d) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(e) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgements and estimates, actual results may differ from these estimates.

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amount recognized in the financial statements:

- Research costs are recognized as an expense when incurred by development costs may be capitalized as intangible assets if certain conditions are met as described in IAS 38, *Intangible Assets*. Management has determined that development costs do not meet the conditions for capitalization under IAS 38 and all research and development costs have been expensed.
- Management is required to determine whether or not the going concern assumption is appropriate for the Company at the end of each reporting period. Considerations taken into account include available information about the future including the availability of financing and revenue projection, as well as current working capital balances and future commitments of the Company

3. Significant accounting policies:

(a) Earnings per share

The Company presents basic earnings per share ("EPS") data for its common voting shares. Basic EPS is calculated by dividing the profit or loss attributable to common voting shareholders of the Company by the weighted average number of common voting shares outstanding during the period, adjusted for the Company's own shares held. Diluted EPS is computed similar to basic EPS except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercise were used to acquire common shares at the average market price during the reporting periods.

(b) Financial instruments

(i) Financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following category: loans and receivables. The Company has not classified any assets or liabilities as held-to-maturity or as available-for-sale.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Loans and receivables are comprised of cash.

(ii) Financial liabilities

The Company has the following non-derivative financial liabilities which are classified as other financial liabilities: accounts payable and accrued liabilities.

All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Costs incurred to obtain financing are deferred and amortized over the term of the associated debt using the effective interest method. Amortization is a non-cash charge to finance expense.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or when they expire.

(c) Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss for financial assets carried at amortized cost. The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

3. Significant accounting policies (continued):

(d) Impairment of non-financial assets

The Company assesses at each reporting period whether there is an indication that a non-financial asset may be impaired. An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit (“CGU”), exceeds its recoverable amount. Impairment losses are recognized in net income and comprehensive income and included in research and development expense if they relate to patents. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount is the greater of the asset's or CGU's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less cost to sell, an appropriate valuation model is used. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

(e) Income taxes

Income tax expense comprises current and deferred taxes. Current taxes and deferred taxes are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive loss.

Current taxes are the expected tax receivable or payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax receivable or payable in respect of previous years.

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred taxes are not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred taxes are measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(expressed in Canadian dollars)

3. Significant accounting policies (continued):

(f) New standards and interpretations not yet adopted

IFRS 9 *Financial Instruments: Classification and Measurement* ("IFRS 9")

IFRS 9 replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, on the classification and measurement of financial assets. The standard eliminates the existing IAS 39 categories of held-to-maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive loss, with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions. The Company is currently evaluating the impact of the above standard on its financial statements.

4. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares.

(b) Shares issued and outstanding

Shares issued and outstanding are as follows:

	Number of Common Shares		Amount
Balance, February 26, 2014	-	$	-
Issuance of common shares	100	$	100
Balance, December 31, 2014	100	$	100
Balance, December 31, 2015	**100**	**$**	**100**

(c) Per share amounts

The weighted average number of common voting shares outstanding for the year ended December 31, 2015 and the 309 day period ended December 31, 2014 was 100. There were no dilutive securities issued and as a result no dilution reflected in the per share amounts.

(expressed in Canadian dollars)

5. Income taxes:

A reconciliation of income taxes at the statutory rate of 27% is as follows:

		Year ended December 31, 2015		309 day period ended December 31, 2014
Loss for the period before income tax	**$**	**(10,646)**	$	-
Expected income tax recovery		**(2,874)**		-
Unrecognized benefits of non-capital losses		**2,874**		-
	$	**-**	$	-

The significant components of the Company's unrecognized temporary deductible differences are as follows:

		December 31, 2015	**Expiry dates**
Non-capital losses carried forward	**$**	**10,646**	**2035**

6. Related party transactions:

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors and the President and Secretary of the Company are key management personnel. There was no compensation expense during the year ended December 31, 2015 and the 309 day period ended December 31, 2015 pertaining to key management personnel compensation.

Directors and key management personnel control 100% of the voting shares of the Company as at December 31, 2015 (December 31, 2014 - 100%).

(b) Transactions with related parties

During the year ended December 31, 2015, Genesys Venture Inc. ("GVI"), a company controlled by the President and Secretary of the Company, paid expenses totaling $316 (309 day period ended December 31, 2014 - nil) on behalf of the Company. Additionally, during the year ended December 31, 2015, CanAm Bioresearch Inc. ("CanAm"), a company controlled by a close family member of the President and Secretary, paid expenses totaling $10,330 (309 day period ended December 31, 2014 - nil) on behalf of the Company.

As at December 31, 2015, included in accounts payable and accrued liabilities is $316 (December 31, 2014 - nil) payable to GVI and $10,330 (December 31, 2014 nil) payable to CanAm, which are unsecured, payable on demand and do not bear interest.

(expressed in Canadian dollars)

7. Financial instruments:

(a) Financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements as at December 31, 2015 and 2016:

	December 31, 2015		December 31, 2014	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Loans and receivables				
Cash	**$ 100**	**$ 100**	$ 100	$ 100
Financial liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	**$ 10,646**	**$ 10,646**	$ -	$ -

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. The carrying values of current monetary assets and liabilities approximate their fair values due to their relatively short periods to maturity. Cash is measured at fair value using Level 2 inputs.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the year ended December 31, 2015 and the 309 day period ended December 31, 2014, there were no transfers between Level 1 and Level 2 fair value measurements.

(b) Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks; market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. Risk management is the responsibility of the Company, which identifies, evaluates and, where appropriate, mitigates financial risks.

(i) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash and no interest-bearing debt and is not subject to significant interest rate risk.

(b) Foreign exchange risk is the risk that the fair value of future cash flows for financial instruments will fluctuate because of changes in foreign exchange rates. The Company’s operations are in Canada and it is not currently exposed to foreign currency risk.

(c) The Company is not exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company’s earnings due to movements in individual equity prices or general movements in the level of the stock market.

7. Financial instruments (continued):

(b) Risks arising from financial instruments and risk management (continued)

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a partner or counterparty to a financial instrument fails to meet its contractual obligation and arises principally from the Company's cash. The carrying amounts of the financial assets represents the maximum credit exposure. The Company will limit its exposure to credit risk on cash by placing these financial instruments with high-credit quality financial institutions and the Company believes it has no significant credit risk.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities and to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations.

The Company's accounts payable and accrued liabilities are due within the current operating period and as at December 31, 2015, the Company has cash of $100 to settle current liabilities of $10,646.

(c) Capital management

The Company defines its capital as cash and shareholder's equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its business. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds will be required to advance the Company's business.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

8. Subsequent events:

On June 21, 2017, the Company incorporated a wholly-owned subsidiary under the Companies Act of Barbados named Waverley Pharma International Inc. ("WPI").

On July 5, 2017, WPI signed a binding term sheet with an Indian pharmaceutical company to acquire exclusive licenses to two generic cancer drugs in the United States of America and its territories, Canada and Europe, excluding the United Kingdom, where a non-exclusive license was acquired. An up-front payment of US$20,000 was made upon the signing of the term sheet, with additional payments of US$1,380,000 due and payable upon certain development and approval based milestones being met. Additionally, under the term sheet, WPI will purchase inventory and pay a royalty of 7.5% of its net sales from these two products.

Condensed Interim Financial Statements
(Expressed in Canadian Dollars)

WAVERLEY PHARMA INC.

For the three months ended March 31, 2017
(Unaudited)

Waverley Pharma Inc.
Condensed Interim Statements of Financial Position
(expressed in Canadian dollars)
(unaudited)

	Note	March 31, 2017		December 31, 2016	
Assets					
Current assets:					
Cash		**$**	**100**	$	100
Total current assets			**100**		100
Total assets		**$**	**100**	$	100
Liabilities and Equity					
Current liabilities:					
Accounts payable and accrued liabilities	5(b)	**$**	**11,854**	$	11,724
Total current liabilities			**11,854**		11,724
Total liabilities			**11,854**		11,724
Equity:					
Share capital	4(b)		**100**		100
Deficit			**(11,854)**		(11,724)
Total equity			**(11,754)**		(11,624)
Subsequent events	6				
Total liabilities and equity		**$**	**100**	$	100

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Condensed Interim Statements of Net Loss and Comprehensive Loss
(expressed in Canadian dollars)
(unaudited)

	Note		Three months ended March 31, 2017		Three months ended March 31, 2016
Expenses					
General and administrative		**$**	**130**	$	-
Net loss and comprehensive loss		**$**	**130**	$	-
Loss per share attributable to shareholders:					
Basic and Diluted		**$**	**(1.30)**	$	-
Weighted average shares outstanding:					
Basic and Diluted			**100**		100

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Condensed Interim Statements of Changes in Equity
(expressed in Canadian dollars)
(unaudited)

	Note		Share Capital		Equity (Deficit)		Total
Balance, December 31, 2015		$	100	$	(10,646)	$	(10,546)
Net loss for three months ended March 31, 2016			-		-		-
Balance, March 31, 2016		$	100	$	(10,646)	$	(10,546)
Balance, December 31, 2016			100		(11,724)		(11,624)
Net loss for three months ended March 31, 2017			-		(130)		(130)
Balance, March 31, 2017		**$**	**100**	**$**	**(11,854)**	**$**	**(11,754)**

See accompanying notes to the financial statements.

Waverley Pharma Inc.
Condensed Interim Statements of Cash Flows
(expressed in Canadian dollars)
(unaudited)

	Note	**Three months ended March 31, 2017**	Three months ended March 31, 2016
Cash (used in) provided by:			
Operating activities:			
Net loss for the period		**$ (130)**	$ -
Change in net working capital		**130**	-
Cash flows from operating activities		**-**	-
(Decrease) increase in cash		**-**	-
Cash, beginning of period		**100**	100
Cash, end of period		**$ 100**	$ 100

See accompanying notes to the financial statements.

1. Nature and continuance of operations:

Waverley Pharma Inc. (the “Company”) was incorporated pursuant to the provisions of the Canada Business Corporations Act on February 26, 2014. The Company is a biopharmaceutical company engaged in the research, development and commercialization of human therapeutics focused on oncology.

The Company’s head office and registered office is 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6.

2. Basis of preparation:

(a) Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and do not include all of the information required for full annual financial statements.

The condensed interim financial statements were authorized for issue by the Board of Directors on August 1, 2017.

(b) Basis of preparation

These condensed interim financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss are measured at fair value.

(c) Going concern

These condensed interim financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on the funding of new investors to continue as a going concern. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company’s ability to continue as a going concern. In the future, the Company's ability to continue as a going concern will be dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain borrowings from third parties sufficient to meet current and future obligations and/or restructure the existing liabilities. These condensed interim financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

(d) Functional and presentation currency

The condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(e) Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgements and estimates, actual results may differ from these estimates.

(expressed in Canadian dollars)

2. Basis of preparation (continued):

(e) Use of estimates and judgments (continued)

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amount recognized in the financial statements:

- Research costs are recognized as an expense when incurred by development costs may be capitalized as intangible assets if certain conditions are met as described in IAS 38, *Intangible Assets*. Management has determined that development costs do not meet the conditions for capitalization under IAS 38 and all research and development costs have been expensed.

- Management is required to determine whether or not the going concern assumption is appropriate for the Company at the end of each reporting period. Considerations taken into account include available information about the future including the availability of financing and revenue projection, as well as current working capital balances and future commitments of the Company

3. New standards and interpretations not yet adopted:

IFRS 9 *Financial Instruments: Classification and Measurement* ("IFRS 9")

IFRS 9 replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, on the classification and measurement of financial assets. The standard eliminates the existing IAS 39 categories of held-to-maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive loss, with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions. The Company is currently evaluating the impact of the above standard on its financial statements.

4. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares.

(b) Shares issued and outstanding

Shares issued and outstanding are as follows:

	Number of Common Shares		Amount
Balance, December 31, 2015	100	$	100
Balance, December 31, 2016	100	$	100
Balance, March 31, 2017	**100**	**$**	**100**

(c) Per share amounts

The weighted average number of common voting shares outstanding for the three months ended March 31, 2017 and 2016 was 100. There were no dilutive securities issued and as a result no dilution reflected in the per share amounts.

5. Related party transactions:

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors and the President and Secretary of the Company are key management personnel. There was no compensation expense during the three months ended March 31, 2017 and 2016 pertaining to key management personnel compensation.

Directors and key management personnel control 100% of the voting shares of the Company as at March 31, 2017 (December 31, 2016- 100%).

(b) Transactions with related parties

During the three months ended March 31, 2017, Genesys Venture Inc. ("GVI"), a company controlled by the President and Secretary of the Company, paid expenses totaling $130 (three months ended March 31, 2016 - nil) on behalf of the Company. As at March 31, 2017, included in accounts payable and accrued liabilities is $611 (December 31, 2016 - $481) payable to GVI, which is unsecured, payable on demand and does not bear interest.

Additionally, as at March 31, 2017, included in accounts payable and accrued liabilities is $11,243 (December 31, 2016 - $11,243) payable to CanAm Bioresearch Inc., a company controlled by a close family member of the President and Secretary, which is unsecured, payable on demand and does not bear interest.

6. Subsequent events:

On June 21, 2017, the Company incorporated a wholly-owned subsidiary under the Companies Act of Barbados named Waverley Pharma International Inc. ("WPI").

On July 5, 2017, WPI signed a binding term sheet with an Indian pharmaceutical company to acquire exclusive licenses to two generic cancer drugs in the United States of America and its territories, Canada and Europe, excluding the United Kingdom, where a non-exclusive license was acquired. An up-front payment of US$20,000 was made upon the signing of the term sheet, with additional payments of US$1,380,000 due and payable upon certain development and approval based milestones being met. Additionally, under the term sheet, WPI will purchase inventory and pay a royalty of 7.5% of its net sales from these two products.

SCHEDULE "B"
(Waverley Management's Discussion and Analysis)

WAVERLEY PHARMA INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2017 AND 2016

BACKGROUND

This Management's Discussion and Analysis ("**MD&A**") of Waverley Pharma Inc. ("**Waverley**" or the "**Company**") is dated August 1, 2017 and provides an analysis of the Company's operations for the three months ended March 31, 2017. This MD&A should be read in conjunction with the unaudited condensed financial statements and accompanying notes for the three months ended March 31, 2017 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are in Canadian dollars unless otherwise specified.

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A are forward-looking statements or information (collectively, "**forward-looking statements**"). Waverley is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of Waverley, that could influence actual results include, but are not limited to: lack of operating history; regulatory risks; substantial capital and liquidity requirements; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; conflicts of interest of management; exposure to potential litigation, and other factors beyond the control of Waverley.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, Waverley undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of Waverley or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "*Risk and Uncertainties*".

CORPORATION OVERVIEW

Waverley was incorporated pursuant to the Canada Business Corporations Act ("**CBCA**") on February 26, 2014 and the Company's head office and registered office is located at 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6.

The Company is a specialty pharma company that is dedicated to the development and commercialization of safe, effective and affordable oncology drugs. The Company is currently in the research and development stage and its planned principal commercial operations have not commenced. Accordingly, no revenue has been derived to date. The Corporation's fiscal year end is December 31st.

The Company's initial research project was the development of a novel PARP-1 inhibitor for cancer treatment. In an effort to augment the product pipeline and vastly reduce the time to revenue and profitability, the Company's current focus is on the generic oncology injectable market in the European Union and North America.

On June 21, 2017, the Company incorporated a wholly-owned subsidiary under the Companies Act of Barbados named Waverley Pharma International Inc. ("**WPI**").

On July 5, 2017, WPI signed a binding term sheet with an Indian pharmaceutical company to acquire exclusive licenses to two generic cancer drugs, in the United States of America and its territories, Canada and Europe, excluding the United Kingdom, where a non-exclusive license was acquired. An up-front payment of US$20,000 was made upon the signing of the term sheet, with additional payments of US$1,380,000 due and payable upon certain development and approval based milestones being met. Additionally, under the term sheet, WPI will purchase inventory and pay a royalty of 7.5% of its net sales from these two products.

Waverley plans to file applications in its marketing territories i.e., the European Union (in Q4 2017) and North America (in Q1 2018) for the approval of its two generic oncology products, WAV-101 and WAV-102. Waverley is committed to providing patients with affordable prescription medicines that lower healthcare costs and provide a better quality of life.

Increasing incidences of cancer, patent expiry of a number of blockbuster oncology drugs and the high cost of cancer treatment, has led to a robust growth in the market for generic oncology drugs. In addition to their strong growth, these drugs also enjoy high product differentiation and entry barriers. As a result, competitive intensity in the injectable oncology segment is also relatively low. This has enabled manufacturers to enjoy higher pricing power and margins compared to commoditized generics.

WAV-101 is an injectable generic chemotherapy drug, developed for the treatment of non-small cell lung cancer and pleural mesothelioma. Currently there are no marketed generics in the USA for this product and the brand generates yearly revenue of over USD $1 billion.

WAV-102 is also an injectable generic chemotherapy drug, developed for the treatment of multiple myeloma and mantle cell lymphoma. Currently there are no marketed generics in the USA for this product and the brand generates yearly revenue of over USD $800 million.

As the drug substance and drug product patents for the branded version of these two drugs near expiry, numerous generics are expected to compete in these therapeutic segments.

Through its extensive contacts and marketing relationships, the Company plans to commercialize the products. In addition to its presence in Canada and wholly owned subsidiary in Barbados, Waverley is exploring establishing a subsidiary in the EU to help advance its products. This would help navigate the regulatory process and realize commercial potential of Waverley's innovative products in the region.

The Company plans to raise additional capital in 2017. Looking ahead, positive feedback from US and European regulators should allow the Company to raise the funds necessary for advancing WAV-101 and WAV-102 in other jurisdictions and also for acquiring additional innovative generic oncology products.

RESULTS OF OPERATIONS

(in CDN $)	**Three months ended March 31, 2017**	Three months ended March 31, 2016	Increase
Net loss and comprehensive loss	**$ 130**	**$ -**	**$ 130**

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on the funding of new investors to continue as a going concern. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern. In the future, the Company's ability to continue as a going concern will be dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain borrowings from third parties sufficient to meet current and future obligations and/or restructure the existing liabilities. The Company's condensed interim financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

As at March 31, 2017, the Company has negative working capital of $11,754, which consisted of cash of $100 and accounts payable and accrued liabilities of $11,854. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Corporation's future revenues, if any, are expected to be from commercialization of human therapeutics focused on oncology.

TRANSACTIONS WITH RELATED PARTIES

There was no compensation to key management personnel during the period.

During the three months ended March 31, 2017, Genesys Venture Inc. ("**GVI**"), a company controlled by the President and Secretary of the Company, paid expenses totaling $130 (three months ended March 31, 2016 - nil) on behalf of the Company. As at March 31, 2017, included in accounts payable and accrued liabilities is $611 (December 31, 2016 - $481) payable to GVI, which is unsecured, payable on demand and does not bear interest.

Additionally, as at March 31, 2017, included in accounts payable and accrued liabilities is $11,243 (December 31, 2016 - $11,243) payable to CanAm Bioresearch Inc., a company controlled by a close family member of the President and Secretary of the Corporation, which is unsecured, payable on demand and does not bear interest.

OFF BALANCE SHEET ITEMS

The Corporation has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

Authorized capital stock consists of an unlimited number of common voting shares. As at March 31, 2017, there were 100 common shares of the Corporation issued and outstanding.

RISKS AND UNCERTAINTIES

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its plans could be adversely affected.

Lack of Operating History

i. the Company currently does not have any commercialized products, limited assets, has no history of earnings and does not anticipate generating earnings or paying dividends for the foreseeable future; and

ii. the Company has only limited funds with which to commercialize products and there can be no assurance that the Company will be able to develop or acquire any commercial products.

Substantial Capital Requirements

Substantial additional funds for the establishment of the Company's planned operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to the shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Competition

The health care industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources. Competition could adversely affect the Company's ability to acquire suitable prospects in the future.

Financing Risks and Dilution to Shareholders

The Company has limited financial resources, limited operations and no revenues. If the Company's business plan is successful, additional funds will be required. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers serve as directors and officers and are associated with other companies and/or significant shareholdings in public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. In accordance with the laws of Canada, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

DIVIDENDS

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for corporate development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

PROPOSED TRANSACTIONS

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A.

WAVERLEY PHARMA INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2016

BACKGROUND

This Management's Discussion and Analysis ("**MD&A**") of Waverley Pharma Inc. ("**Waverley**" or the "**Company**") is dated August 1, 2017 and provides an analysis of the Company's operations for the year ended December 31, 2016. This MD&A should be read in conjunction with the Company's financial statements and accompanying notes for the year ended December 31, 2016 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are in Canadian dollars unless otherwise specified.

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A are forward-looking statements or information (collectively – forward-looking statements). Waverley is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors many of which are beyond the control of Waverley, that could influence actual results include, but are not limited to: lack of operating history; regulatory risks; substantial capital and liquidity requirements; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; conflicts of interest of management; exposure to potential litigation, and other factors beyond the control of Waverley.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, Waverley undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of Waverley or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "*Risk and Uncertainties*".

CORPORATION OVERVIEW

Waverley was incorporated pursuant to the Canada Business Corporations Act ("**CBCA**") on February 26, 2014 and the Company's head office and registered office is located at 4 – 1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6.

- The Company is a specialty pharma company that is dedicated to the development and commercialization of safe, effective and affordable oncology drugs. The Company is currently in the research and development stage and its planned principal commercial operations have not commenced. Accordingly, no revenue has been derived to date. The Corporation's fiscal year end is December 31st.

- The Company's initial research project was the development of a novel PARP-1 inhibitor for cancer treatment. In an effort to augment the product pipeline and vastly reduce the time to revenue and profitability, the Company's current focus is on the generic oncology injectable market in the European Union and North America.

On June 21, 2017, the Company incorporated a wholly-owned subsidiary under the Companies Act of Barbados named Waverley Pharma International Inc. ("**WPI**").

On July 5, 2017, WPI signed a binding term sheet with an Indian pharmaceutical company to acquire exclusive licenses to two generic cancer drugs, in the United States of America and its territories, Canada and Europe, excluding the United Kingdom, where a non-exclusive license was acquired. An up-front payment of US$20,000 was made upon the signing of the term sheet, with additional payments of US$1,380,000 due and payable upon certain development and approval based milestones being met. Additionally, under the term sheet, WPI will purchase inventory and pay a royalty of 7.5% of its net sales from these two products.

Waverley plans to file applications in its marketing territories i.e., the European Union (in Q4 2017) and North America (in Q1 2018) for the approval of its two generic oncology products, WAV-101 and WAV-102. Waverley is committed to providing patients with affordable prescription medicines that lower healthcare costs and provide a better quality of life.

Increasing incidences of cancer, patent expiry of a number of blockbuster oncology drugs and the high cost of cancer treatment, has led to a robust growth in the market for generic oncology drugs. In addition to their strong growth, these drugs also enjoy high product differentiation and entry barriers. As a result, competitive intensity in the injectable oncology segment is also relatively low. This has enabled manufacturers to enjoy higher pricing power and margins compared to commoditized generics.

WAV-101 is an injectable generic chemotherapy drug, developed for the treatment of non-small cell lung cancer and pleural mesothelioma. Currently there are no marketed generics in the USA for this product and the brand generates yearly revenue of over USD $1 billion.

WAV-102 is also an injectable generic chemotherapy drug, developed for the treatment of multiple myeloma and mantle cell lymphoma. Currently there are no marketed generics in the USA for this product and the brand generates yearly revenue of over USD $800 million.

As the drug substance and drug product patents for the branded version of these two drugs near expiry, numerous generics are expected to compete in these therapeutic segments.

Through its extensive contacts and marketing relationships, the Company plans to commercialize the products. In addition to its presence in Canada and wholly owned subsidiary in Barbados, Waverley is exploring establishing a subsidiary in the EU to help advance its products. This would help navigate the regulatory process and realize commercial potential of Waverley's innovative products in the region.

The Company plans to raise additional capital in 2017. Looking ahead, positive feedback from US and European regulators should allow the Company to raise the funds necessary for advancing WAV-101 and WAV-102 in other jurisdictions and also for acquiring additional innovative generic oncology products.

RESULTS OF OPERATIONS

(in CDN $)	**Year ended December 31, 2016**	Year ended December 31, 2015	Increase/(decrease)
General and administrative expenses	**$ 165**	$ 316	$ (151)
Research and development expenses	**913**	10,330	(9,417)
Net loss and comprehensive loss	**1,078**	10,646	(9,568)
Basic and diluted loss per share	**$ 10.78**	$ 106.46	$ (95.68)

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on the funding of new investors to continue as a going concern. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern. In the future, the Company's ability to continue as a going concern will be dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain borrowings from third parties sufficient to meet current and future obligations and/or restructure the existing liabilities. The Company's condensed interim financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

As at December 31, 2016, the Company has negative working capital of $11,624, which consisted of cash of $100 and accounts payable and accrued liabilities of $11,724. Management intends to raise capital in order to fund its operations, however, the outcome of these matters cannot be predicted at this time. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Corporation's future revenues, if any, are expected to be from commercialization of human therapeutics focused on oncology.

TRANSACTIONS WITH RELATED PARTIES

There was no compensation to key management personnel during the period.

During the year ended December 31, 2016, Genesys Venture Inc. ("**GVI**"), a company controlled by the President and Secretary of the Company, paid expenses totaling $165 (2015 - $316) on behalf of the Company.

Additionally, during the year ended December 31, 2016, CanAm Bioresearch Inc. ("**CanAm**"), a company controlled by a close family member of the President and Secretary, paid expenses totaling $913 (December 31, 2015 - $10,330) on behalf of the Company.

As at December 31, 2016, included in accounts payable and accrued liabilities is $481 (December 31, 2015 - $316) payable to GVI and $11,243 (December 31, 2015 - $10,330) payable to CanAm, which are unsecured, payable on demand and do not bear interest.

OFF BALANCE SHEET ITEMS

The Corporation has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

Authorized capital stock consists of an unlimited number of common voting shares. As at December 31, 2016, there were 100 common shares of the Corporation issued and outstanding.

RISKS AND UNCERTAINTIES

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its plans could be adversely affected.

Lack of Operating History

i. the Company currently does not have any commercialized products, limited assets, has no history of earnings and does not anticipate generating earnings or paying dividends for the foreseeable future; and

ii. the Company has only limited funds with which to commercialize products and there can be no assurance that the Company will be able to develop or acquire any commercial products.

Substantial Capital Requirements

Substantial additional funds for the establishment of the Company's planned operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to the shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Competition

The health care industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources. Competition could adversely affect the Company's ability to acquire suitable prospects in the future.

Financing Risks and Dilution to Shareholders

The Company has limited financial resources, limited operations and no revenues. If the Company's business plan is successful, additional funds will be required. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers serve as directors and officers and are associated with other companies and/or significant shareholdings in public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. In accordance with the laws of Canada, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

DIVIDENDS

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for corporate development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

PROPOSED TRANSACTIONS

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A.

APPENDIX "J"
INFORMATION CONCERNING THE RESULTING ISSUER

CORPORATE STRUCTURE

Name and Incorporation

Assuming the completion of the Amalgamation, the Resulting Issuer shall be named "Waverley Pharma Inc." and will be governed under the CBCA. The head officer of the Resulting Issuer will be located at 4 – 1250 Waverley Street, Winnipeg, Manitoba R3T 6C6, and the registered office will be 301 – 1665 Ellis Street, Kelowna, British Columbia V1Y 2B3.

Intercorporate Relationships

Following the completion of the Amalgamation, the Resulting Issuer shall have one wholly-owned subsidiary, Waverley Pharma International Inc., a Barbados company.

NARRATIVE DESCRIPTION OF THE BUSINESS

General Information

The Resulting Issuer's primary business will be the development and commercialization of safe, effective and affordable oncology drugs. See "*Appendix "I" – Information Concerning Waverley Pharma Inc. – General Development of the Business*".

Upon completion of the Amalgamation, the Resulting Issuer will have an exclusive license to market, sell and distribute WAV-101 and WAV-102 in the Territory and a non-exclusive license to market, sell and distribute WAV-101 and WAV-102 in the United Kingdom. See "*Appendix "I" – Information Concerning Waverley Pharma Inc. – Narrative Description of the Business*".

Business Objectives and Milestones

The business plan for the Resulting Issuer will be further developed by the management team of the Resulting Issuer following the completion of the Amalgamation, at which time the Resulting Issuer will have estimated working capital, assuming the Concurrent Financing is fully subscribed, of approximately $4,261,367 and no long term debt.

The following are the proposed business objectives, milestones for achieving those objectives and the estimated costs and target dates associated with those objectives for Resulting Issuer as of the date hereof, assuming the Concurrent Financing is fully subscribed:

Business Objective	Milestones Required to Achieve Business Objectives	Target Date for Achievement of Milestones	Estimated Costs ($)
Obtain approval to market and sell WAV-1 and WAV-2 in Europe	File Application for approval of WAV-1 and WAV-2 in Europe	Fourth Quarter of 2017	600,000 – 1,200,000
Obtain approval to market and sell WAV-1 and WAV-2 in North America	File Application for approval of WAV-1 and WAV-2 in North America	First Quarter of 2018	400,000 – 600,000
Commercialization of WAV-101 and WAV-102	Marketing expenditures for WAV-101 and WAV 102	2019	150,000

The Resulting Issuer expects to file applications in its marketing territories (i.e., the European Union (target date of Q4 2017) and North America (target date of Q1 2018)) for the approval of its generic oncology products, WAV-101 and WAV-102. The successful commercialization of generic drug products such as WAV-101 and WAV-102 is dependent on a number of factors, including, but not limited to having a significant understanding of the generic drug industry and having a consistent supply of product and affordable pricing. Waverley believes that it has or has access to the expertise required for the successful commercialization of WAV-101 and WAV-102, either through existing internal expertise developed through multiple years in the industry, new hires or through its network of potential partners. See *"Appendix "I"– Information Concerning Waverley Pharma Inc. – Narrative Description of the Business"*.

DESCRIPTION OF SECURITIES

Upon completion of the Amalgamation, the Resulting Issuer's authorized share capital will consist of an unlimited number of Resulting Issuer Shares and an unlimited number of preferred shares, issuable in series. Immediately following the Effective Time, assuming the Concurrent Financing is fully subscribed, there will be 53,000,000 Resulting Issuer Shares issued and outstanding and no other classes of shares issued or outstanding.

The holders of the Resulting Issuer Shares will be entitled to receive notice of and to attend any meeting of holders of Resulting Issuer Shares, other than meetings of holders of another class of shares, and are entitled to one vote for each Resulting Issuer Share held.

Subject to the prior rights and privileges attaching to any class of shares of the Resulting Issuer, holders of Resulting Issuer Shares are entitled to receive dividends, if, as and when declared by the board of directors of the Resulting Issuer.

Subject to the prior rights and privileges attaching to any other class of shares of the Resulting Issuer, holders of Resulting Issuer Shares have the right to share equally in the remaining property and assets of the Resulting Issuer upon liquidation, dissolution or winding-up.

The Resulting Issuer Shares do not have pre-emptive or conversion rights.

Resulting Issuer Options

As at the date of this Information Circular, 300,000 Buffalo Options and 200,000 Buffalo Agent's Warrants are outstanding which will be exercisable into 300,000 Resulting Issuer Shares and 200,000 Resulting Issuer Shares, respectively. An additional 3,000,000 Resulting Issuer Options are expected to be granted on completion of the Amalgamation. See "*Options to Purchase Securities*".

Any options to purchase Resulting Issuer Shares issued following the Effective Date will be governed by the terms, and subject to the conditions of, the Resulting Issuer Option Plan. See "*Stock Option Plans and other Incentive Plans*" in this Appendix J.

PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth the pro forma share capital of the Resulting Issuer on a consolidated basis, based on the pro forma consolidated financial statements as at March 31, 2017 contained in "*Appendix "K" - Pro Forma Financial Information*", after giving effect to the Amalgamation and completion of the Concurrent Financing.

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as of March 31, 2017 After Giving Effect to the Amalgamation	Amount Outstanding as of the Date of this Information Circular After Giving Effect to the Amalgamation
Resulting Issuer Shares	Unlimited	53,000,000	53,000,000
Resulting Issuer preferred shares	Unlimited	Nil	Nil

Fully Diluted Share Capital

The following table describes and summarizes the diluted share capital of Resulting Issuer following the completion of the Amalgamation:

	Outstanding on a Fully-Diluted Basis	Percentage
Resulting Issuer Shares issuable for Buffalo Shares as of the date of this Information Circular	3,000,000	5.66%
Resulting Issuer Shares issuable for Waverley Shares as of the date of this Information Circular	40,000,000	75.47%
Resulting Issuer Shares from the Concurrent Financing	10,000,000	18.87%
TOTAL RESULTING ISSUER SHARES:	53,000,000	100%
Resulting Issuer Shares reserved for the exercise of Buffalo Options and Buffalo Agent's Warrants	500,000	
Resulting Issuer Shares reserved for the exercise of warrants issued to PI Financial in connection with Concurrent Financing	700,000	
Resulting Issuer Shares to be reserved for the exercise of Resulting Issuer Options to be granted upon completion of the Amalgamation	3,000,000	
Total Resulting Issuer Shares to be reserved pursuant to the Resulting Issuer's stock option plan	3,300,000	

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Funds Available

Source of Funds	**Approximate Amount[(1)] ($)**
Buffalo estimated consolidated working capital[(2)]	373,121
Waverley estimated consolidated working capital[(2)]	(11,754)
Net proceeds from the Concurrent Financing	4,300,000
TOTAL ESTIMATED FUNDS AVAILABLE TO THE RESULTING ISSUER:	4,261,367

Note:
(1) Assuming the Concurrent Financing is fully subscribed.
(2) Pro forma financial information as at March 31, 2017.

Principal Purposes of Funds

As at the date hereof, the proposed management of the Resulting Issuer following completion of the Amalgamation intends to use the funds available to the Resulting Issuer upon completion of the Amalgamation, in order of priority, substantially as set forth in the following table:

Use of Funds	**Approximate Amount Assuming the Concurrent Financing is Fully Subscribed ($)**
Planning, preparation and execution of regulatory strategy relating to oncology generics drugs	3,700,000
Planning, preparation and execution of business development and partnering activities	400,000
General corporate purposes	200,000

The Resulting Issuer intends to spend the funds available to it upon completion of the Amalgamation to further its stated business objectives. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Resulting Issuer to achieve such stated business objectives.

Dividends

Subject to restrictions in the CBCA relating to solvency, there will be no restriction in the Resulting Issuer's articles or elsewhere which would prevent the Resulting Issuer from paying dividends subsequent to the completion of the Amalgamation. It is not contemplated that any dividends will be paid on the Resulting Issuer Shares in the immediate future following the completion of the Amalgamation, as it is anticipated that all available funds will be invested to finance the growth of the Resulting Issuer's business. The directors of the Resulting Issuer will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and executive officers of Buffalo and Waverley as of the date hereof, it is not anticipated that any person will beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting securities attached to Resulting Issuer Shares following completion of the Amalgamation, other than ADF Family Holding Corp, a corporation existing under the laws of Manitoba and controlled by Dr. Albert D. Friesen, a proposed director of the Resulting Issuer, which will hold 40,000,000 Resulting Issuer Shares, representing 75.47% of the total Resulting Issuer Shares assuming the Concurrent Financing is fully subscribed. After giving effect to the Amalgamation and assuming the Concurrent Financing is fully subscribed, Dr. Albert D. Friesen will own or exercise control over an aggregate of 40,700,000 Resulting Issuer Shares, representing 76.79% of the issued and outstanding Resulting Issuer Shares.

DIRECTORS AND EXECUTIVE OFFICERS OF RESULTING ISSUER

The following table sets forth the name, municipality of residence and proposed office for each of the proposed directors and executive officers of Resulting Issuer following completion of the Amalgamation, together with the date they were appointed to their position at Buffalo, and the number and percentage of Resulting Issuer Shares anticipated to be beneficially owned, or over which control or direction will be exercised, based on current and anticipated shareholdings in Buffalo and Waverley at the Effective Time:

Name, Expected Position, Municipality of Residence and Date Appointed as Director or Officer of Buffalo	Principal Occupation for the Previous Five Years	Number and Percentage of Resulting Issuer Shares Held or Controlled Upon Completion of the Amalgamation[3]
Dr. Albert D. Friesen[2] Director Winnipeg, MB December 14, 2016	Dr. Friesen is the Chief Executive Officer and a director of Medicure Inc. (TSXV: MPH), a specialty pharmaceutical company focused on the development and commercialization of therapeutics for the U.S. hospital market. Dr. Friesen is also the President and founder of Genesys Venture Inc. ("**GVI**"), a private company which provides the expertise for launching and managing emerging health and biotechnology ventures.	40,700,000 (76.79%)
Pieter J. de Visser[1] Chief Financial Officer and Director Vancouver, BC December 14, 2016	Mr. de Visser was the managing and founding partner of DeVisser Gray LLP, Chartered Professional Accountants, a Vancouver firm that has provided services to the mining community for 25 years. He currently acts as an advisor to the firm.	200,000 (0.38%)
P. Marcus Enns[1] Director Winnipeg, MB December 14, 2016	Mr. Enns is the Vice President, Corporate Affairs of GVI, overseeing treasury activities and contract administration for the company and assisting in both private and public fundraising activities for GVI's client companies.	100,000 (0.19%)
Dr. George R. Thomas President, Chief Executive Officer and	Dr. Thomas was Vice President, Strategic Development of Medicure Inc. (TSXV: MPH),	40,000 (0.08%)

Corporate Secretary Winnipeg, MB(4)	President and was Chief Executive Officer of Marsala Biotech Inc., a drug discovery and development company, concentrating on new treatments for cancer.	
Hellen Siwanowicz (1)(4) Director Toronto, ON	Ms. Siwanowicz is a lawyer with over 25 years of business law experience. From 1991 to 2016, she practiced law at McMillan LLP and its predecessor, Lang Michener LLP, with an emphasis on securities law. Ms. Siwanowicz has significant experience advising public companies on corporate finance, mergers and acquisitions and corporate governance matters.	Nil

Notes:
(1) Member of the Audit Committee.
(2) Dr. Friesen is the majority shareholder of, and controls, the Waverley Shareholder.
(3) Assuming the Concurrent Financing is fully subscribed.
(4) To be appointed as director/officer prior to the closing of the Amalgamation.

Each of the directors of Resulting Issuer will serve their office until the next annual meeting of the shareholders of Resulting Issuer following the completion of the Amalgamation at which time the shareholders of the Resulting Issuer will elect directors of the Resulting Issuer, or until their respective successors are duly elected or appointed, unless their respective offices are earlier vacated in accordance with the Resulting Issuer's articles or by-laws.

After giving effect to the Amalgamation, the number of Resulting Issuer Shares beneficially owned, directly or indirectly, or over which control or direction will be exercised, by the proposed directors and executive officers of the Resulting Issuer and their associates, will be an aggregate of 41,040,000 Resulting Issuer Shares and options to purchase an aggregate of 3,200,000 Resulting Issuer Shares (approximately 77.43% and 79.47% of the estimated issued and outstanding Resulting Issuer Shares following completion of the Amalgamation, calculated on a non-diluted basis and fully-diluted basis, respectively). After giving effect to the Amalgamation and assuming the Concurrent Financing is fully subscribed, Dr. Albert D. Friesen will own or exercise control over an aggregate of 40,700,000 Resulting Issuer Shares, representing 76.79% of the issued and outstanding Resulting Issuer Shares.

Management

The following is a brief description of the proposed management of the Resulting Issuer. It is expected that each member of the Resulting Issuer's management team will devote the time necessary to perform the work required in connection with the management of the Resulting Issuer.

Albert D. Friesen, Director and Promoter

Dr. Friesen (age 70) is the President, Chief Executive Officer and a director of Medicure Inc. (TSXV: MPH), a specialty pharmaceutical company focused on the development and commercialization of therapeutics for the U.S. hospital market. Dr. Friesen is also the President and founder of GVI, a private company which provides the expertise for launching and managing emerging health and biotechnology ventures. Dr. Friesen has been involved with the founding and development of several other private and public health industry companies including: ABI Biotechnology Inc. (now Apotex Fermentation Inc.), a biotech company providing services in research, process development, scale-up and manufacturing of fermentation based products, including active pharmaceuticals and nutraceuticals; and the Winnipeg Rh Institute, where he led the development of Canada's first biotech product, WinRho. Dr. Friesen was a founder and the first Board of Director Chair of the Industrial Biotechnology Association of Canada (now BIOTECanada). See "Other Reporting Issuer Experience".

Dr. Friesen holds a Ph.D. in protein chemistry from the University of Manitoba.

Pieter J. de Visser, Chief Financial Officer and Director

Mr. de Visser (age 68) was the managing and founding partner of DeVisser Gray LLP, Chartered Professional Accountants, a Vancouver firm that has provided services to the mining community for 25 years. He currently acts as an advisor to the firm. Mr. de Visser has been a member of a technical advisory committee to the BC Securities

Commission. Mr. de Visser is a director of Camino Minerals Corporation (TSXV: COR) and was previously the Chief Financial Officer of Pretium Resources Inc. (TSX/NYSE: PVG). Mr. de Visser has also acted as Chief Financial Officer and Director of multiple TSXV-listed mining and life science companies. See "Other Reporting Issuer Experience".

Mr. de Visser holds a Bachelor of Commerce degree from the University of British Columbia and is a Chartered Professional Accountant.

P. Marcus Enns, Director

Mr. Enns (age 45) is the Vice President, Corporate Affairs of GVI, overseeing treasury activities and contract administration for the company and assisting in both private and public fundraising activities for GVI's client companies. Mr. Enns was previously a Vice President and Secretary of Miraculins Inc. (TSXV: MOM) (now Luminar Medical Technologies Inc.) and a Vice President of Kane Biotech Inc. (TSXV: KNE) and was involved with bringing each of these companies public in 2002 and 2003 respectively. Mr. Enns is currently the Chair of the Board of the Rosenort Credit Union. See "Other Reporting Issuer Experience".

Marcus Enns obtained his Bachelor of Commerce (Hons.) degree from the University of Manitoba.

Dr. George R. Thomas – President, Chief Executive Officer and Corporate Secretary

Dr. Thomas (age 44) is Vice President, Strategic Development of Medicure Inc., and was previously President & was Chief Executive Officer of Marsala Biotech Inc., a drug discovery and development company, concentrating on new treatments for cancer. Dr. Thomas has over 18 years of experience in research leadership and strategic planning in the areas of bio-pharma R&D, molecular diagnostics and therapeutic target discovery and validation. Earlier in his career, Dr. Thomas held senior executive positions at Torrent Pharmaceuticals Research Centre, India, where he led teams responsible for setting up in vitro and in vivo assays, managing outsourced studies, pharmacokinetic and toxicological studies and clinical trials. In addition, he has been responsible for the scientific evaluation of various assays/technologies for license or acquisition from industry and academia.

Dr. Thomas received his Master of Pharmacy degree and Ph.D. from the Birla Institute of Technology and Sciences, Pilani, India. More recently, he was awarded an MBA from the Ivey School of Business, London, Ontario.

Hellen Siwanowicz –Director

Ms. Siwanowicz (age 56) is a lawyer with over 25 years of business law experience. From 1991 to 2016, Ms. Siwanowicz practiced law at McMillan LLP and its predecessor, Lang Michener LLP, with an emphasis on securities law. Ms. Siwanowicz has significant experience advising public companies on corporate finance, mergers and acquisitions and corporate governance matters.

Ms. Siwanowicz holds Bachelor of Science and LL.B degrees from the University of Toronto.

Promoter Consideration

Dr. Albert D. Friesen can be considered a promoter of the Resulting Issuer. Upon completion of the Amalgamation, Dr. Friesen will beneficially own, directly or indirectly, or will exercise control or direction over 40,700,000 Resulting Issuer Shares. Dr. Friesen is the sole director and officer of Waverley and is also the majority shareholder of, and controls, the Waverley Shareholder.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director, officer or shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, within 10 years before the date of this Information Circular, has been, a director or executive officer of any corporation that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the relevant corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

(b) 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.

Penalties or Sanctions

No director, officer, insider or Promoter of the Resulting Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority relating to trading in securities, promotion or management of a publicly traded issuer or theft or fraud or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer, insider or Promoter of the Resulting Issuer, or a shareholder holding sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 individual.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, officers, insiders and Promoters of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. Some of the directors, officers, insiders and Promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the business of the Resulting Issuer. Accordingly, situations may arise where some or all of the directors, officers, insiders and Promoters will be in direct competition with the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the CBCA.

OTHER REPORTING ISSUER EXPERIENCE

The following table sets out the proposed directors and officers of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange	Position	Term
Dr. Albert D. Friesen	Medicure Inc.	TSXV	President, CEO and Director	December 1999 to Present
Pieter J. de Visser	Camino Minerals Corporation	TSXV	Director and CFO	February 2010 to Present
	Pretium Resources Inc.	TSX	CFO	December 2010 to January 2015
	Datum Ventures Inc.	TSXV	CFO	June 2011 to November 2013
	Thunderstruck Resources Ltd.	TSXV	CFO	November 2011 to November 2013
P. Marcus Enns	Luminor Medical Technologies Inc.(1)	TSXV	Vice President, Secretary	November 2000 to December 2014

Notes:
(1) Formerly Miraculins Inc.
(2) Formerly Fox Resources Ltd. and Waverley Biotech Inc.

EXECUTIVE COMPENSATION

The following disclosure on proposed executive compensation has been prepared and presented in accordance with Form 51-106F6V Statement of Executive Compensation – Venture Issuers, on a prospective basis for the twelve (12) month period after completion of the Amalgamation.

Compensation Discussion and Analysis

One of the mandates of the board of the Resulting Issuer will be to determine the executive compensation payable for the officers of the Resulting Issuer. Going forward, compensation will be aimed at aligning incentives and compensation with the pursuit of the Resulting Issuer's goals and growth strategies. In part, this will be achieved by integrating a performance bonus and/or a grant of stock options into the compensation packages for the Resulting Issuer's NEOs. The performance bonus will be payable upon achievement of performance targets to be set by the directors of the Resulting Issuer.

Initially, the Resulting Issuer expects that the compensation for its NEOs and directors will be comprised of salary, performance bonus and grants of Resulting Issuer Options. Salary is necessary to attract and retain the talent necessary for the success of the Resulting Issuer's business, and the performance bonus and option grants help align the incentives of management with the achievement of business objectives and the creation of shareholder value.

The directors of the Resulting Issuer may choose to appoint a compensation committee, but until such time as such a committee is formed, the directors as a whole will make decisions on executive compensation. The board of directors is experienced in the oversight of executive and operational management teams as a result of their experience with various private and public sector businesses. It is expected that the board will review compensation policies of similar companies when making determinations about executive compensation. Final decisions concerning employment, consulting or other compensation arrangements between the Resulting Issuer and the directors or senior officers of the Resulting Issuer (or between any subsidiary of the Resulting Issuer and any director or senior officer) will be considered and approved by the Resulting Issuer's independent directors.

The directors of the Resulting Issuer will consider implications of the risks associated with its compensation practices and policies as part of its oversight and stewardship of its affairs, and will consider previous grants of Buffalo Options when making new grants.

In accordance with the Resulting Issuer's proposed option plan, the Board may from time to time, in its discretion, and in accordance with TSXV requirements, grant options to directors, officers, NEOs, other employees and consultants to the Resulting Issuer.

Summary Compensation Table

The following table sets forth the annual compensation which is currently expected to be paid to each of the executive officers and directors of the Resulting Issuer for the 12 month period following the completion of the Amalgamation.

Name & position	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of Perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Dr. Albert D. Friesen, Director	Nil	Nil	Nil	Nil	Nil	Nil
Pieter J. de Visser, CFO and Director	Nil	Nil	Nil	Nil	Nil	Nil
Dr. George R. Thomas, President, CEO, Corporate Secretary	125,000	Nil	Nil	N/A	Nil	125,000
P. Marcus Enns, Director	Nil	Nil	Nil	Nil	Nil	Nil
Hellen Siwanowicz Director	Nil	Nil	Nil	Nil	Nil	Nil

Stock Options and Other Compensation Securities Table

The following table provides information disclosing the compensation securities anticipated to be granted or issued to each executive officer and director during the 12 month period following the completion of the Amalgamation:

Compensation Securities							
Name and position	**Type of compensation security**	**# of compensation securities, # of underlying securities & % of class**	**Proposed 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**
Pieter J. de Visser, Director	Stock Option	300,000 (10% of options issued)(1)	On Closing of the Amalgamation	$0.50	$0.315	N/A	10 years from the date of grant
Dr. George R. Thomas, President, CEO, Corporate	Stock Option	2,000,000 (66.67% of options issued)(2)	On Closing of the Amalgamation	$0.50	$0.315	N/A	10 years from the date of

Secretary							grant
Hellen Siwanowicz Director	Stock Option	300,000 (10% of options issued) (1)	On Closing of the Amalgamation	$0.50	$0.315	N/A	10 years from the date of grant
P. Marcus Enns Director	Stock Option	300,000 (10% of options issued) (1)	On Closing of the Amalgamation	$0.50	$0.315	N/A	10 years from the date of grant

Notes:
(1) These Buffalo Options will vest in equal annual installments over a three year period.
(2) These Buffalo Options will vest in equal annual installments over a four year period.

Stock Option Plans and Other Incentive Plans

Except for the Buffalo Option grants described in this Information Circular, as at the date hereof, no compensation has been paid by Buffalo or Waverley to the proposed executive officers or directors of the Resulting Issuer. The Buffalo Options issued to the executive officers and directors of Buffalo were issued pursuant to Buffalo's Option Plan which will also be the Resulting Issuer's Option Plan. See "*Stock Option Plan*" in Appendix "H".

Employment, Consulting and Management Agreements

Neither Buffalo nor Waverley has entered into any employment, consulting and/or management agreements. It is anticipated that the Resulting Issuer may enter into agreements of this nature in the future.

Oversight and Description of Director and Named Executive Officer Compensation

The determination of director and executive officer compensation and how and when such compensation is to be determined will be subject to the consideration of the Resulting Issuer's board.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director or officer or former director or officer of Buffalo or Waverley, or proposed director or officer of the Resulting Issuer has any indebtedness outstanding as at the date hereof to Buffalo or Waverley or another entity where the indebtedness is subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Buffalo or Waverley or any of its subsidiaries.

INVESTOR RELATIONS ARRANGEMENTS

No written or oral agreement or understanding has been reached with any person or company to provide any promotional or investor relations services for the Resulting Issuer or its securities, either now or in the future.

OPTIONS TO PURCHASE SECURITIES

Upon the completion of the Amalgamation, the Buffalo Option Plan will continue as the stock option plan for the Resulting Issuer. For further details concerning the Buffalo Option Plan, see "*Stock Option Plan*" in Appendix "H".

The following table sets out details regarding the Resulting Issuer Shares that will be issuable pursuant to the exercise of Resulting Issuer Options:

Name	Number of Resulting Issuer Shares Underlying Unexercised Options	Option Exercise Price ($)	Option Expiration Date	Market Value of Buffalo Shares Underlying the Options as at the Date of this Information Circular ($)(1)	Total Value Assuming Exercise on the Date of this Information Circular ($)(2)
Dr. Albert D. Friesen	150,000	$0.20	April 20, 2027	47,250	17,250
Pieter J. de Visser	75,000	$0.20	April 20, 2027	23,625	8,625
P. Marcus Enns	75,000	$0.20	April 20, 2027	23,625	8,625

(1) Based on a market price for the Resulting Issuer Shares of $0.315, being the closing price of the Buffalo Shares on the TSXV on the last trading day prior to the announcement of the Amalgamation.
(2) Based on a market price for the Resulting Issuer Shares of $0.315, being the closing price of the Buffalo Shares on the TSXV on the last trading day prior to the announcement of the Amalgamation, less the exercise price of options.

Immediately upon completion of the Amalgamation, the Resulting Issuer intends to grant the following additional options to purchase Resulting Issuer Shares:

Name	Number of Resulting Issuer Shares Underlying Unexercised Options	Option Exercise Price ($)	Option Expiration Date	Market Value of Buffalo Shares Underlying the Options as at the Date of this Information Circular ($)(4)	Total Value Assuming Exercise on the Date of this Information Circular ($)(5)
Pieter J. de Visser(1)	300,000	$0.50	Ten years from date of grant	94,500	Nil
P. Marcus Enns(1)	300,000	$0.50	Ten years from date of grant	94,500	Nil
Dr. George R. Thomas(2)	2,000,000	$0.50	Ten years from date of grant	630,000	Nil
Hellen Siwanowicz(1)	300,000	$0.50	Ten years from date of grant	94,500	Nil
James Kinley(3)	100,000	$0.50	Ten years from date of grant	31,500	Nil

(1) These Buffalo Options will vest in equal annual installments over a three year period.
(2) These Buffalo Options will vest in equal annual installments over a four year period.
(3) Mr. Kinley is expected to be a consultant to the Resulting Issuer, providing accounting and/or finance services. Mr. Kinley's Resulting Issuer Options will vest over a three year period.
(4) Based on a market price of $0.315 for the Resulting Issuer Shares, being the closing price of the Buffalo Shares on the TSXV on the last trading day prior to the announcement of the Amalgamation.
(5) Based on a market price for the Resulting Issuer Shares of $0.315, being the closing price of the Buffalo Shares on the TSXV on the last trading day prior to the announcement of the Amalgamation, less the exercise price of options.

STOCK OPTION PLAN

The Buffalo Option Plan will become the Resulting Issuer Plan upon completion of the Amalgamation. Please refer to "*Stock Option Plan*" in Appendix "H" for a summary of the material terms of the Buffalo Option Plan. A full copy of the Buffalo Option Plan is attached as Appendix "E".

ESCROWED SECURITIES

The TSXV has final discretion as to the number of shares and terms of escrow that may be imposed as a condition of listing. Pursuant to TSXV rules, certain principals of the Resulting Issuer, upon the completion of the Amalgamation, will be required to comply with the TSXV rules relating to escrow and, as a result, will be required to enter into a Value Security (as that term is defined under TSXV policies) escrow agreement (the "**TSXV Escrow Agreement**"), which provides that, subject to certain exceptions, the Resulting Issuer Shares being issued to such principals may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior consent of the TSXV. The TSXV Escrow Agreement further provides that upon the death of the holder of the escrowed shares, the Resulting Issuer Shares will be released from escrow and certificates for the Resulting Issuer Shares will be delivered to the legal representative of the deceased shareholder, upon such legal representative's written notice.

Where the Resulting Issuer Shares, which are required to be held in escrow are held by a non-individual (a "**holding company**"), each holding company pursuant to the TSXV Escrow Agreement, has agreed, or will agree, not to carry out any transactions during the currency of the TSXV Escrow Agreement which would result in a change of control of the holding company, without the consent of the TSXV.

It is expected that the Resulting Issuer securities placed into escrow will be released on the following schedule:

Tier 2 – Value	
Percentage	**Release Date**
10%	Date of Final Exchange Bulletin
15%	Date that is 6 months following the Final Exchange Bulletin
15%	Date that is 12 months following the Final Exchange Bulletin
15%	Date that is 18 months following the Final Exchange Bulletin
15%	Date that is 24 months following the Final Exchange Bulletin
15%	Date that is 30 months following the Final Exchange Bulletin
15%	Date that is 36 months following the Final Exchange Bulletin

Escrowed Securities Table

To the knowledge of Buffalo, as of the date of this Information Circular, the following table sets forth the securities that are currently held in escrow, and in the case of the Resulting Issuer, anticipated to be held in escrow after giving effect to the Amalgamation:

		Prior to Giving Effect to the Transaction		**After Giving Effect to the Amalgamation**	
Name & Municipality of Residence of Securityholder	**Designation of Class of Resulting Issuer Securities**	**Number of Shares Held in Escrow(1)**	**Percentage of Class**	**Number of Resulting Issuer Securities to be Held in Escrow(4)**	**Percentage of Class Assuming Concurrent Financing is Fully Subscribed**
Dr. Albert D. Friesen(3)	Common	700,000	23.33%	630,000	1.19%
Pieter J. de Visser(3)	Common	200,000	6.67%	180,000	0.34%
P. Marcus Enns(3)	Common	100,000	3.33%	90,000	0.17%
Dr. George R. Thomas	Common	40,000	1.33%	36,000	0.07%
ADF Family Holdings Corp.(2)	Common	-	-	36,000,000	67.92%

Notes:
(1) Computershare Investor Services Inc. is/will be the escrow agent for these securities.
(2) A corporation of which the majority of the shares are held by, and which is controlled by, Dr. Albert D. Friesen.

(3) These securities are held pursuant to a CPC escrow agreement. See "*CPC Escrow*".
(4) After taking into account that 10% of the escrowed securities will be released to the holder upon completion of the Amalgamation.

CPC Escrow

Pursuant to Policy 2.4 of the TSXV, upon completion of the Amalgamation an aggregate of 900,000 Resulting Issuer Shares will be held in escrow pursuant to a CPC escrow agreement (being the 1,000,000 Buffalo Shares currently subject to escrow less the 10% that are released to the holders concurrently with the completion of the Amalgamation). These Resulting Issuer Shares issuable to holders of these Buffalo Shares following completion of the Amalgamation will continue to be held in escrow until released in accordance with the CPC escrow agreement, which release schedule is set forth above.

AUDITORS, TRANSFER AGENT AND REGISTRAR OF RESULTING ISSUER

It is anticipated that MNP LLP, the current auditor of Buffalo and Waverley, whose offices are located at 2500, 201 Portage Avenue, Winnipeg, MB R3B 3K6 will be appointed as auditors of Resulting Issuer at its next annual meeting.

Upon completion of the Amalgamation, Computershare Investor Services Inc., the current transfer agent of Buffalo, will continue as the transfer agent of Resulting Issuer. Computershare's offices are located at 600, 530 – 8th Avenue S.W., Calgary, Alberta T2P 3S8.

BOARD APPROVAL

Each of the Buffalo Board and the sole director of Waverley have resolved that the Amalgamation is in the best interests of its respective shareholders and have approved the delivery of this Information Circular to its respective shareholders.

APPENDIX "K"
PRO FORMA FINANCIAL STATEMENTS

Pro Forma Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)

WAVERLEY PHARMA INC.
(the "Resulting Issuer")

March 31, 2017
(Unaudited)

Waverley Pharma Inc.
Pro Forma Statement of Financial Position
(expressed in Canadian dollars)
(Unaudited)

	Buffalo Capital Inc. March 31, 2017	Waverley Pharma Inc. March 31, 2017	Note	Pro Forma Adjustments	Pro Forma Consolidated
Assets					
Current assets:					
Cash	**$ 89,500**	$ 100	2(a)	**$ 284,309**	$ 4,673,909
			2(f)	**4,300,000**	
Accounts receivable	**348**	-		**-**	348
Prepaid expenses	**43,229**	-	2(a)	**(43,229)**	-
Total current assets	**133,077**	100		**4,541,080**	4,674,257
Total assets	**$ 133,077**	$ 100		**$ 4,541,080**	$ 4,674,257
Liabilities and Equity					
Current liabilities:					
Accounts payable and accrued liabilities	**$ 44,265**	$ 11,854	2(a)	**$ (43,229)**	$ 412,890
			2(d)	**300,000**	
			2(e)	**100,000**	
Total current liabilities	**44,265**	11,854		**356,771**	412,890
Total liabilities	**44,265**	11,854		**356,771**	412,890
Equity:					
Share capital	**100,000**	100	2(a)	**258,509**	5,640,500
			2(c)	**(100,000)**	
			2(c)	**(258,509)**	
			2(c)	**1,500,000**	
			2(f)	**4,140,400**	
Warrants	**-**	-	2(a)	**25,800**	228,800
			2(c)	**(25,800)**	
			2(c)	**69,200**	
			2(f)	**159,600**	
Contributed surplus	**-**	-	2(b)	**63,900**	482,500
			2(c)	**(63,900)**	
			2(c)	**135,000**	
			2(g)	**347,500**	
Deficit	**(11,188)**	(11,854)	2(b)	**(63,900)**	(2,090,433)
			2(c)	**(1,255,991)**	
			2(d)	**(300,000)**	
			2(e)	**(100,000)**	
			2(g)	**(347,500)**	
Total equity	**88,812**	(11,754)		**4,184,309**	4,261,367
Total liabilities and equity	**$ 133,077**	$ 100		**$ 4,541,080**	$ 4,674,257

The accompanying notes are an integral part of this consolidated pro forma statement of financial position

1. Basis of presentation:

Management has prepared the accompanying unaudited pro forma consolidated statement of financial position of Waverley Pharma Inc. (the "Resulting Issuer") in accordance with International Financial Reporting Standards ("IFRS"). The pro forma consolidated statement of financial position has been prepared for inclusion in the Management Information Circular concerning the amalgamation (the "Amalgamation") involving Waverley Pharma Inc. ("Waverley") and Buffalo Capital Inc. ("Buffalo") (the "Information Circular"), dated August 29, 2017.

The unaudited pro forma consolidated statement of financial position as at March 31, 2017 has been prepared from information derived from and should be read in conjunction with the following:

1. The unaudited condensed interim financial statements of Waverley as at March 31, 2017; and
2. The unaudited condensed interim financial statements of Buffalo as at March 31, 2017.

In the opinion of management, this pro forma consolidated statement of financial position includes all adjustments necessary for fair presentation in accordance with IFRS. The pro forma consolidated statement of financial position gives effect to the transactions and assumptions, as described in Note 2, as if they had occurred at March 31, 2017. The pro forma consolidated statement of financial position is not intended to reflect the financial position which would have actually resulted had the proposed transactions been effected on the dates indicated.

Accounting policies used in the preparation of the pro forma consolidated statement of financial position are in accordance with those used in the preparation of financial statements and notes of Waverley and Buffalo as at December 31, 2016 and the unaudited pro forma consolidated statement of financial position hereto should be read in conjunction with those financial statements as noted above and included elsewhere in the Information Circular.

2. Pro forma assumptions and adjustments:

The unaudited pro forma consolidated statement of financial position gives effect to the following assumptions and adjustments:

a) On April 27, 2017, Buffalo completed its initial public offering (the "Offering") of 2,000,000 common shares at a price of $0.20 per common share for gross proceeds to the Company of $400,000. Buffalo incurred $141,491 in share issuance costs in regards to the Offering.

   PI Financial Corp. ("PI") acted as the sole lead agent for the Offering. PI received a cash commission equal to $40,000 or 10% of the gross proceeds of the Offering and warrants to purchase 200,000 Shares at a price of $0.20 per share for a period of 24 months from the date of listing of the shares on the TSX- Venture Exchange (the "Exchange"). The fair value of the warrants of $25,800 has been included in share issuance costs. PI also received a corporate finance fee of $10,000, plus taxes.

   The fair value of the warrants was determined based on the Black-Scholes pricing model. The warrants expire two years from the date of grant. These warrants have a fair value of $25,800 based on the Black-Scholes pricing model using 85% volatility, an expected life of 2 years, 0.73% risk free interest rate, no dividend yield, a share price of $0.25 and an exercise price of $0.20. As there is limited historical volatility of Buffalo's common shares, expected volatility is based on the historical performance of the common shares of other similar companies.

   The Offering resulted in net proceeds of $284,309, after share issuance costs excluding the fair value of the warrants issued of $25,800, a non-cash item.

   As at March 31, 2017, $43,229 relating to share issuance costs were recorded within prepaid expenses and accounts payable and accrued liabilities on the statement of financial position of Buffalo. These amounts are adjusted on the pro forma statement of financial position as the Offering was completed.

   This transaction is assumed to have occurred prior to the Amalgamation referred to in Note 2(c) and is reflected in the values referred to in Note 2(c).

(expressed in Canadian dollars)

2. Pro forma assumptions and adjustments (continued):

b) On April 27, 2017, Buffalo Capital Inc. granted 300,000 incentive stock options to its directors and officers which are exercisable within ten years from the date of the grant at an exercise price of $0.20 per Share.

The fair value of the stock options, which vested immediately upon issuance, is determined based on the Black-Scholes pricing model. The options expire ten years from the date of grant. These stock options have a fair value of $63,900 based on the Black-Scholes pricing model using 85% volatility, an expected life of 10 years, 1.57% risk free interest rate, no dividend yield, a share price of $0.25 and an exercise price of $0.20. As there is limited historical volatility of Buffalo's common shares, expected volatility is based on the historical performance of the common shares of other similar companies.

This transaction is assumed to have occurred prior to the Amalgamation referred to in Note 2(c) and is reflected in the values referred to in Note 2(c).

c) On August 8, 2017, Waverley entered into an amalgamation agreement (the "Amalgamation") with Buffalo, a Capital Pool Company ("CPC"). The Amalgamation is expected to constitute the Qualifying Transaction (the "QT") of Buffalo as defined in the policies of the TSX Venture Exchange ("the Exchange"). The transaction is subject to the all requisite approvals, including the approval of the shareholders of Buffalo and the approval of the Exchange.

The Amalgamation is dependent upon a number of conditions and requirements, including shareholder and applicable regulatory approvals.

After the Amalgamation, the existing shareholder of Waverley will own a majority of the outstanding shares of the resulting company and will control it. The transaction does not meet the definition of a business combination under IFRS 3, *Business Combinations*, as the CPC did not meet the definition of a business under IFRS 3 and the acquisition was constituted as a purchase of Buffalo's of assets, accordingly, it has been accounted for as an equity settled share-based payment in accordance with IFRS 2, *Share-based Payments*, and measured at the fair value of the equity of the Company retained by the shareholders of Buffalo based on the fair value of the shares issued in the concurrent brokered private placement. The transaction is equivalent to the issuance of shares, warrants and options by the resulting company for the net assets and listing status of the non-operating public company, as follows:

Net assets of Buffalo:		
Cash	$	373,809
Accounts receivable		348
Accounts payable and accrued liabilities		(1,036)
		373,121
Total consideration		1,704,200
Listing expense	$	1,331,079

Consideration comprised of:		
Fair value of common shares	$	1,500,000
Fair value of warrants		69,200
Fair value of stock options		135,000
Total consideration	$	1,704,200

The fair value of the common shares is determined using the 3,000,000 Buffalo common shares outstanding valuing each Buffalo common share at $0.50 per common share, based on the fair value of the shares issued in the concurrent brokered private placement (Note 2(f)).

2. Pro forma assumptions and adjustments (continued):

The fair value of the warrants was determined based on the Black-Scholes pricing model. The warrants expire two years from the date of grant. These warrants have a fair value of $69,200 based on the Black-Scholes pricing model using 85% volatility, an expected life of 2 years, 0.73% risk free interest rate, no dividend yield, a share price of $0.50 and an exercise price of $0.20. As there is limited historical volatility of Buffalo’s common shares, expected volatility is based on the historical performance of the common shares of other similar companies.

The fair value of the stock options, which vested immediately upon issuance, is determined based on the Black-Scholes pricing model. The options expire ten years from the date of grant. These stock options have a fair value of $135,000 based on the Black-Scholes pricing model using 85% volatility, an expected life of 10 years, 1.57% risk free interest rate, no dividend yield, a share price of $0.50 and an exercise price of $0.20. As there is limited historical volatility of Buffalo’s common shares, expected volatility is based on the historical performance of the common shares of other similar companies.

The fair value of consideration paid will be determined as at the closing date of the Transaction. Therefore, the fair value of assets and liabilities acquired will vary for the amounts shown and the differences may be material.

d) Transactions costs of the QT to be incurred by Buffalo estimated to be $300,000.

e) Transactions costs of the QT to be incurred by Waverley are estimated to be $100,000.

f) A condition to the completion of the Amalgamation, is that Buffalo completes a financing for gross proceeds of up to $5,000,000 (the "Concurrent Financing"). It is anticipated that this financing will be undertaken as a “best efforts” brokered private placement of up to 10,000,000 common shares of Buffalo at a price of $0.50 per share and that it will close immediately prior to the closing of the Amalgamation. PI has been engaged to act as lead agent in connection with the Concurrent Financing and will be paid a cash commission of 7% of the gross proceeds of the Concurrent Financing. PI will also be entitled to receive up to 700,000 warrants with each warrant entitling PI to acquire one common share of Buffalo at a price of $0.50 for a period of 24 months following the completion of the Amalgamation.

The fair value of the warrants was determined based on the Black-Scholes pricing model. The warrants expire two years from the date of grant. These warrants have a fair value of $159,600 based on the Black-Scholes pricing model using 85% volatility, an expected life of 2 years, 0.73% risk free interest rate, no dividend yield, a share price of $0.50 and an exercise price of $0.50. As there is limited historical volatility of Buffalo’s common shares, expected volatility is based on the historical performance of the common shares of other similar companies.

The Offering is expected to result in net proceeds of approximately $4,300,000, after share issuance costs, excluding the fair value of the warrants issued of $159,600, a non-cash item.

g) Upon the Amalgamation, the Resulting Issuer will grant 3,000,000 incentive stock options to directors, officers and a consultant of the Resulting Issuer which are exercisable within ten years from the date of the grant at an exercise price of $0.50 per Share.

1,000,000 of the stock options will vest in three equal instalments consisting of 333,333 immediately, 333,333 on the first anniversary of their grant and 333,334 on the second anniversary of their grant. Additionally, 2,000,000 of the stock options will vest in four equal instalments consisting of 500,000 immediately, 500,000 on the first anniversary of their grant, 500,000 on the second anniversary of their grant and 500,000 on the third anniversary of their grant.

The fair value of the stock options, which vest as described above, is determined based on the Black-Scholes pricing model. The options expire ten years from the date of grant. The fair value of the stock options at March 31, 2017 is $347,500, based on the Black-Scholes pricing model using 85% volatility, an expected life of 10 years, 1.57% risk free interest rate, no dividend yield, a share price of $0.50 and an exercise price of $0.50 and is included in the pro forma statement of financial position pertaining to the options which vested immediately upon issuance. As there is limited historical volatility of Buffalo’s common shares, expected volatility is based on the historical performance of the common shares of other similar companies.

(expressed in Canadian dollars)

2. Pro forma assumptions and adjustments (continued):

h) The effective income tax rate has been assumed to be 27%.

3. Share capital

The Amalgamation contemplates Buffalo and Waverley completing a non-arm's length business combination transaction and to continue as the Resulting Issuer. Each common share in the capital of Buffalo that is outstanding immediately prior to the Amalgamation shall be converted into one issued and fully paid and non-assessable common shares in the share capital of the Resulting Issuer at a deemed price of $0.50 per share of the Resulting Issuer. Each Class “A” common share in the capital of Waverley that is outstanding immediately prior to the Amalgamation shall be converted into 400,000 issued and fully paid and non-assessable Resulting Issuer common shares at a deemed price of $0.50 per Resulting Issuer common share.

Share capital as at March 31, 2017 in the pro forma consolidated statement of financial position is comprised of the following:

	Number of Common Shares		Amount
Shares issued to shareholder of Waverley	40,000,000	$	100
Shares issued to effect the Amalgamation 2(c)	3,000,000		1,500,000
Share issued pursuant to the Concurrent Financing 2(f), net of share issuance costs	10,000,000		4,140,400
Balance, March 31, 2017	**53,000,000**	**$**	**5,640,500**

Donnelley
Financial Solutions