



BRIACELL THERAPEUTICS CORP.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 30, 2018

AND

MANAGEMENT INFORMATION CIRCULAR

APRIL 27, 2018

These materials are important and require your immediate attention. They require shareholders to make important decisions. If you are in doubt as to how to deal with these materials or the matters they describe, please contact your financial, legal, tax or other professional advisors.

BRIACELL THERAPEUTICS CORP.

Suite 300 – 235 15th Street
West Vancouver, BC V7T 2X1

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders of common shares of **BRIACELL THERAPEUTICS CORP.** (the "**Company**") will be held at the offices of Bennett Jones LLP, Suite 3400, One First Canadian Place, Toronto, Ontario M5X 1A4 at 10:00 a.m. (Toronto time) on Wednesday, May 30, 2018 for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended July 31, 2017, together with the auditor's report thereon;
2. to appoint MNP LLP as auditor of the Company for the ensuing year and authorize the board of directors to fix the auditor's remuneration;
3. to fix the size of the board of directors at five (5) members;
4. to elect the board of directors to serve until the next annual meeting of shareholders or until their successors are duly elected or appointed;
5. to consider and, if thought fit, to pass with or without variation, an ordinary resolution confirming, authorizing and approving the Company's stock option plan, as more particularly described in the accompanying management information circular; and
6. to transact such other business as may properly come before the meeting and any adjournment or postponement thereof.

The board of directors of the Company (the "**Board**") has fixed April 27, 2018 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying management information circular (the "**Information Circular**").

The accompanying Information Circular provides additional information and the other matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of meeting (the "**Notice of Meeting**").

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc., Proxy Department 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by 10:00 a.m. (Toronto time) by Monday, May 28, 2018 or if the Meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays preceding the time and date of reconvening such adjourned or postponed shareholder meeting.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee

of any of the foregoing that holds your security on your behalf (the "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED this 27th day of April, 2018.

BRIACELL THERAPEUTICS CORP.

(signed) "Dr. Saeid Babaei"

Dr. Saeid Babaei

Chairman of the Board

BRIACELL THERAPEUTICS CORP.

Suite 300 – 235 15th Street
West Vancouver, BC V7T 2X1

INFORMATION CIRCULAR

For the Annual and Special Meeting of shareholders to be held on Wednesday, May 30, 2018.

All currency references herein, unless otherwise stated, are expressed in Canadian dollars.

SOLICITATION OF PROXIES

This information circular (the "Information Circular") is provided in connection with the solicitation of proxies by the management of BriaCell Therapeutics Corp. (the "Company"). The form of proxy (the "**Proxy**") which accompanies this Information Circular is for use at the Company's annual and special meeting of shareholders to be held at the offices of Bennett Jones LLP, Suite 3400, One First Canadian Place, Toronto, Ontario M5X 1A4 at 10:00 a.m. (Toronto time) on Wednesday, May 30, 2018 (the "**Meeting**"), for the purpose of conducting certain matters as set out in the accompanying notice of Meeting (the "**Notice of Meeting**"). It is expected that the solicitation of proxies will be primarily by mail; however, proxies may also be solicited by the officers, directors and employees of the Company by telephone, electronic mail, telecopier or personally. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of soliciting proxies in connection with the Meeting will be borne directly by the Company.

The contents and the mailing of the Information Circular have been approved by the Company's board of directors (the "**Board**").

INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is given as of April 27, 2018.

In this Information Circular, unless otherwise indicated, all references to "\$" refer to Canadian dollars.

No person is authorized by the Company to give any information (including any representations) in connection with the matters to be considered at the Meeting other than the information contained in this Information Circular. Information contained in this Information Circular should not be construed as legal, tax or financial advice, and shareholders of the Company should consult their own professional advisors if they are in doubt as to how to deal with these materials or the matters they describe.

GENERAL PROXY MATTERS

Appointment of Proxy

The persons named in the enclosed Proxy are directors and/or officers of the Company. **Each shareholder has the right to appoint a person or entity, other than the persons designated by management in the Proxy, to represent the shareholder at the Meeting. A shareholder giving a proxy may do so by striking out the names of the management designees printed in the Proxy and by inserting the name of another designated person or entity in the blank space provided. A proxy designee need not be a shareholder of the Company.**

Those shareholders who wish to be represented at the Meeting by proxy must complete and deliver a Proxy to Computershare Investor Services Inc. ("**Computershare**"), Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by 10:00 a.m. (Toronto time) by Monday, May 28, 2018, or if the Meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays preceding the time and date of reconvening such adjourned or postponed shareholder meeting at which the Proxy is to be used.

Revocation of Proxy

A Proxy given by a shareholder for use at the Meeting may be revoked at any time prior to its use. In addition to revocation in any other manner permitted by law, the Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment or postponement thereof; or
- (c) attending the Meeting or any adjournment or postponement thereof and registering with the scrutineer as a shareholder present in person.

Voting of Proxies

The common shares of the Company (the "**Common Shares**") represented by proxy in the enclosed form will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing such person. In the absence of instructions, such Common Shares will be voted in favour of each of the matters referred to in the Notice of Meeting.

The enclosed Proxy, when properly completed and signed, confers discretionary authority upon the persons named therein to vote on any amendments to or variations of the matters identified in the Notice of Meeting and on other matters, if any, which may properly be brought before the Meeting or any adjournment thereof. At the date hereof, management of the Company knows of no such amendments or variations or other matters to be brought before the Meeting. However, if any other matters which are not now known to management of the Company should properly be brought before the Meeting, or any adjournment thereof, the Common Shares represented by such proxy will be voted on such matters in accordance with the judgment of the person named as proxy thereon.

Voting by Non-Registered Holders

Only shareholders whose names have been entered in the Company's register of shareholders as of the close of business on the Record Date (as defined herein) will be entitled to receive notice of, and to vote at, the Meeting. Most shareholders are "non-registered" shareholders because the Common Shares they own are not registered in their name but instead registered in the name of an intermediary (an "**Intermediary**" or "**Intermediaries**") with whom the non-registered shareholder deals with in respect of the Common Shares (including, among others, a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of

any of the foregoing that holds such Common Shares on behalf of non-registered shareholders). If you purchased Common Shares through a broker, you are likely a non-registered holder.

Non-registered holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as "**NOBOs**". Those non-registered holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as "**OBOs**".

The Company has elected to send the Notice of Meeting, this Information Circular and the Proxy (collectively, the "**Meeting Materials**") indirectly to NOBOs through Intermediaries. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each NOBO.

Intermediaries are required to forward the Meeting Materials to NOBOs to seek their voting instructions in advance of the Meeting. Common Shares held by Intermediaries can only be voted in accordance with the instructions of the non-registered holder. Intermediaries often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Intermediary to ensure that your Common Shares are voted at the Meeting. If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or Proxy provided by the Intermediary and return the form to the Intermediary in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Intermediaries are required to forward the Meeting Materials to each OBO unless the OBO has waived the right to receive them. The Company does not intend to pay for Intermediaries to deliver to OBOs the Meeting Materials under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and Form 54-101F7 – *Request for Voting Instructions Made by an Intermediary*.

The Company is not sending the Meeting Materials to registered shareholders or non-registered shareholders using notice-and-access delivery procedures defined under NI 54-101 and National Instrument 51-102 – *Continuous Disclosure Obligations*.

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

As at the date of this Information Circular, except as described elsewhere in this Information Circular, to the knowledge of the Company's directors and executive officers, there are no material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Description of Share Capital

The Company is authorized to issue an unlimited number of Common Shares without par value, of which 157,828,325 Common Shares were issued and outstanding as at the close of business on April 27, 2018, representing the only securities with respect to which a voting right may be exercised at the Meeting.

Record Date

The Board of the Company has fixed the close of business on Friday, April 27, 2018 as the record date (the "**Record Date**") for the determination of shareholders of the Company entitled to receive notice of, and to vote at, the Meeting and at any adjournment or postponement thereof. Holders of record of Common Shares at the close of business on Friday, April 27, 2018 will be entitled to vote at the Meeting and at all adjournments or postponements thereof.

Quorum

The Articles of the Company provide that a quorum for the transaction of business at the Meeting is two persons who are, or who represent by proxy, shareholders, who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting.

At the Meeting, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each share of which he or she is the holder.

Ownership of Securities of the Company

As at Friday, April 27, 2018, except as disclosed below, to the knowledge of the Company's directors and executive officers, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

Number of Common Shares owned⁽¹⁾ (Percentage of class and type of ownership)		
Name	Common Shares^{(2) (3)}	Percentage of voting rights
Dr. Charles Wiseman	13,381,287	8.48%

Note:

- (1) The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained by the Company from publicly disclosed information and/or has been furnished by the shareholder listed above.
- (2) Calculated on a non-diluted basis on the basis of Common Shares issued and outstanding.
- (3) 70,000 Common Shares are held through the Wiseman Cancer Research Foundation.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The Meeting is being held after the end of the Company's 2017 financial year, which ended on July 31, 2017. Therefore, the Company's audited financial statements for the year ended July 31, 2017, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting. The financial statements are also available on SEDAR at www.sedar.com.

Appointment and Remuneration of Auditors

Management of the Company intends to nominate MNP LLP, of 300-111 Richmond Street West, Toronto, Ontario M5H 2G4, which has been the auditor of the Company since November 25, 2014, to be re-appointed as the Company's auditor.

In absence of instructions to the contrary, the Common Shares represented by the Proxy are to be voted for the appointment of MNP LLP as the auditor to hold office for the ensuing year at a remuneration to be fixed by the Board.

Election of Directors

At the Meeting, the following five persons named hereunder will be proposed for election as directors of the Company. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the Proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve.

Each director elected will hold office until the close of the next annual meeting of shareholders, or until his successor is duly elected unless prior thereto he resigns or his office becomes vacant by reason of death or other cause. Shareholders have the option to (i) vote for all of the directors of the Company listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. **Unless the shareholder has specifically instructed in the Proxy that the Common Shares represented by such proxy are to be withheld or voted otherwise, the persons named in the Proxy will vote FOR the election of each of the proposed nominees set forth below as directors of the Company.**

Director Nominees

The following table sets out the names of the nominees for election as directors, the positions and offices which they presently hold, the length of time they have served as directors, their respective principal occupations or employments during the past five years if such nominee is not presently an elected director and the number of Common Shares which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

Name, province or state and country of residence and positions, current and former, if any, held	Principal occupation during the past five years ⁽¹⁾	Director Since	Number of Common Shares beneficially owned or controlled, directly or indirectly ⁽²⁾
<i>Dr. Saeid Babaei</i> ^{(3) (4) (5) (6)} Toronto, Ontario, Canada <i>Director and Chairman of the Board</i>	Director, President and CEO, AbCelex Technologies Inc.; former Director and Chairman, Vaxil Bio Ltd.; and former Vice President; Corporate Development Aptose Biosciences Inc. (formerly Lorus Therapeutics).	November 25, 2014	495,225 (0.3%)

Name, province or state and country of residence and positions, current and former, if any, held	Principal occupation during the past five years ⁽¹⁾	Director Since	Number of Common Shares beneficially owned or controlled, directly or indirectly ⁽²⁾
<i>Mr. Martin Schmieg</i> ^{(3) (5) (6)} Delray Beach, Florida, USA <i>Director</i>	General Manager and Founder, Soar Ventures; General Manager and Co-Founder, ClearIt, LLC, CFO and director Sapientia Pharmaceuticals, Inc.; CFO Rokk3r Labs, LLC	May 10, 2016	172,391 (0.1%)
<i>Mr. Rahoul Sharan</i> ^{(3) (4) (5) (6)} West Vancouver, British Columbia, Canada <i>Director</i>	President, KJN Management, Ltd.; Former Director of the following: Potash Ridge Corp., Galaxy Graphite Corp.; Parallel Mining Corp.; Titan Uranium Inc. Cue Resources; Crescent Resources; Fargo Capital Corp; Indiva Corp (formerly Rainmaker Resources Ltd).	July 26, 2006	1,757,839 (1.11%)
<i>Dr. William V. Williams</i> ^{(4) (5)} Havertown, Pennsylvania, USA <i>Director, President and CEO</i>	Vice President of Exploratory Development, Incyte Corporation	November 1, 2016	11,447,849 (7.25%)
<i>Dr. Charles Wiseman</i> Los Angeles, California, USA <i>Director</i>	Oncologist & Principal Shareholder of Wiseman Research Initiatives; and Medical Doctor, Research Director and Clinical Professor, University of Southern California School of Medicine.	November 25, 2014	13,381,287 (8.48%)
TOTAL:			27,254,591 (17.27%) ⁽⁷⁾

Notes:

- (1) The information as to principal occupation, business or employment is not within the knowledge of the Company and has been furnished by the respective nominees.
- (2) The information as to the number of securities beneficially owned or over which control or direction is exercised has been obtained by the Company from publicly disclosed information and/or has been furnished by the respective nominees.
- (3) Members of the Audit Committee.
- (4) Members of the Compensation Committee.
- (5) Members of the Corporate Governance Committee.
- (6) Members of the Nomination Committee.
- (7) The percentage of voting rights calculations stated above is based on 157,828,325 Common Shares outstanding as at April 27, 2018.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Corporate Cease Trade Orders or Bankruptcies

Except as described below, no proposed director is, or within the ten years prior to the date of this Information Circular has been, a director, Chief Executive Officer ("**CEO**") or Chief Financial Officer ("**CFO**") of any company, including the Company, that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, CEO or CFO;
- (b) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (c) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Dr. Charles Wiseman was a director and officer (from April 1, 1994 to July 31, 2010) of Charles L. Wiseman MD, FACP, a California professional corporation which was forced to wind up its operations and was subject to a default judgment by the second judicial court of the State of Nevada in favour of Centric Health Finance LLC, in the amount of US\$218,606.00 and a judgment in favour of Priority Healthcare Distribution, Inc. in the amount of US\$135,000.00 principal and US\$6,025.07 in statutory prejudgment interest. Neither judgment was extended to Dr. Charles Wiseman personally.

Individual Bankruptcies

None of the proposed directors of the Company have, within the ten years prior to the date of this Information Circular, become bankrupt or 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 that individual.

Penalties or Sanctions

None of the proposed directors of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Stock Option Plan

The Company has adopted a stock option plan (the "**Stock Option Plan**") under which it is authorized to grant options to officers, directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding Common Shares of the Company. The options can be granted for a maximum of 5 years and vest as determined by the Board. The exercise price of each option granted may not be less than the fair market value of the Common Shares at the time of grant.

Pursuant to the policies of the TSX Venture Exchange (the "**TSXV**"), the Company is required to obtain shareholder approval of the Stock Option Plan each year because the Stock Option Plan is a rolling-maximum option plan whereby the maximum number of Common Shares that may be reserved for issuance

and which can be purchased upon the exercise of all options granted under the Stock Option Plan is fixed at 10% of the outstanding Common Shares from time to time.

A copy of the Stock Option Plan adopted on November 25, 2014 is attached hereto as Schedule "I". Set forth below is a summary of the Stock Option Plan. The following summary is qualified in all respects by the provisions of the Stock Option Plan. Reference should be made to the Stock Option Plan for the complete provisions thereof.

Summary of the Stock Option Plan

- The term of any options granted under the Stock Option Plan will be fixed by the Board at the time such options are granted, provided that options will not be permitted to exceed a term of five years (or ten years if the Company is reclassified by the TSXV as a Tier 1 Issuer).
- The exercise price of any options granted under the Stock Option Plan will be determined by the Board, in its sole discretion, but shall not be less than the closing price of the Company's Common Shares on the day preceding the day on which the directors grant such options, less any discount permitted by the TSXV.
- No vesting requirements will apply to options granted hereunder, however a four month hold period will apply to all Common Shares issued under each option, commencing from the date of grant.
- All options are non-transferable.
- Options will be adjusted and/or reclassified (as applicable) in the event of any consolidation, subdivision, conversion or exchange of the Company's Common Shares.
- No more than 5% of the issued Common Shares may be granted to any one individual in any 12 month period.
- No more than 2% of the issued Common Shares may be granted to a consultant, or any employee performing investor relations activities, in any 12 month period.
- Disinterested shareholder approval must be obtained if:
 - (i) a stock option plan, together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in:
 - (A) the number of shares reserved for issuance under stock options granted to Insiders (as such term is defined in the policies of the TSXV) exceeding 10% of the issued Common Shares;
 - (B) the grant to Insiders, within a 12 month period, of a number of options exceeding 10% of the issued Common Shares; or
 - (C) the issuance to any one optionee, within a 12 month period, of a number of shares exceeding 5% of the issued Common Shares; or
 - (ii) the Company is decreasing the exercise price of stock options previously granted to Insiders.

Re-approval of Incentive Stock Option Plan

At the Meeting, shareholders of the Company will be asked to consider, and if thought fit, to pass, with or without variation the following ordinary resolution (the "**Option Plan Resolution**") confirming and approving the Stock Option Plan:

***"BE IT RESOLVED BY ORDINARY RESOLUTION THAT:** the Company's Stock Option Plan be and is hereby confirmed and approved as the Stock Option Plan of the Company until the next annual and special meeting of the Company."*

The Board is of the view that the Stock Option Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other services providers in competition with the other companies in the industry. Stock options issued under the Stock Option Plan help align the interests of the Company's directors, officers, employees and consultants with the long-term interests of the Company's shareholders while allowing the Company to reduce the cash component of its compensation programs and thus preserve capital.

In order to be passed, the Option Plan Resolution requires the approval of a majority of the votes cast thereon by shareholders of the Company present in person or represented by proxy at the Meeting. The Board unanimously recommends that shareholders vote in favour of the Option Plan Resolution. **Unless otherwise directed, the persons named in the accompanying proxy intend to vote FOR the Option Plan Resolution.**

General Matters

As of the date of this Information Circular, the Board and management of the Company are not aware of any other matters to come before the Meeting other than those set forth above and in the Notice of Meeting. **However, if any other matters do arise, the person named in the Proxy shall vote, on any poll, in accordance with his or her best judgment, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment or postponement of the Meeting.**

STATEMENT OF EXECUTIVE COMPENSATION

The purpose of this section is to describe the compensation of certain named executive officers of the Corporation and the directors of the Corporation for the most recently completed financial year of the Corporation in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*.

Director and Named Executive Officer Compensation

For the purposes of this Information Circular, a named executive officer ("**Named Executive Officer**" or "**NEO**") of the Company means the following individuals:

- (a) a CEO of the Company;
- (b) a CFO of the Company;
- (c) each of the three most highly compensated individuals, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the

CEO and CFO, as at July 31, 2017, whose total compensation was, individually, more than \$150,000 for financial year ended July 31, 2017; and

- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity for financial year ended July 31, 2017.

Dr. William V. Williams, President and CEO of the Company, Dr. Gadi Levin, the Chief Financial Officer and Corporate Secretary of the Company and Rahoul Sharan, the former interim CEO of the Company are the NEOs of the Company.

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the directors, and to the following NEOs:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Dr. William V. Williams ⁽¹⁾ <i>President & CEO, Director</i>	2017	174,344	Nil	Nil	Nil	84,981	259,325
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Joseph Wagner ⁽²⁾ <i>Former President & CEO, Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	237,441	Nil	Nil	Nil	30,070	267,511
Dr. Gadi Levin ⁽³⁾ <i>CFO, Corporate Secretary</i>	2017	42,000	Nil	Nil	Nil	Nil	42,000
	2016	18,625	Nil	Nil	Nil	12,600	31,225
Mr. Matthew Wright ⁽⁴⁾ <i>Former CFO, Former Corporate Secretary</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	25,400	Nil	Nil	Nil	4,590	29,990
Mr. Rahoul Sharan ⁽⁵⁾ <i>Director and Former interim CEO</i>	2017	48,000	Nil	Nil	Nil	Nil	48,000
	2016	48,000	Nil	Nil	Nil	44,800	92,800

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Dr. Saeid Babaei <i>Chairman of the Board, Director</i>	2017	86,500	Nil	Nil	Nil	Nil	86,500
	2016	59,755	Nil	Nil	Nil	168,000	227,755
Mr. Martin Schmieg⁽⁶⁾ <i>Director</i>	2017	39,722	Nil	Nil	Nil	Nil	39,722
	2016	9,717	Nil	Nil	Nil	38,000	47,717
Dr. Charles Wiseman <i>Director</i>	2017	63,555	Nil	Nil	Nil	Nil	63,555
	2016	80,240	Nil	Nil	Nil	Nil	80,240
Mr. Isaac Maresky⁽⁷⁾ <i>Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	46,466	Nil	Nil	Nil	112,000	158,466

Notes:

- (1) On November 1, 2016, Dr. William V. Williams was appointed as President and CEO of the Company.
- (2) On March 24, 2016, Dr. Joseph Wagner resigned from the Company as the President, CEO and Director.
- (3) On February 11, 2016, Dr. Gadi Levin was appointed as CFO and Corporate Secretary of the Company.
- (4) On February 11, 2016, Mr. Matthew Wright resigned as the CFO and Corporate Secretary for the Company.
- (5) Mr. Rahoul Sharan served as interim CEO of the Company from March 24, 2016 until November 1, 2016.
- (6) On May 10, 2016, Mr. Martin Schmieg was appointed a Director of the Company.
- (7) On May 10, 2016, Mr. Isaac Maresky resigned from the Company as Director.

Stock Options and Other Compensation Securities

The Company's Stock Option Plan was previously approved by the shareholders at the Company's annual and special meeting on November 25, 2014. Please see Schedule "I" for a copy of the Stock Option Plan.

Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each director and Named Executive Officer by the Company or one of its subsidiaries during the financial year ended July 31, 2017 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities ^{(1) (2)}							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Dr. William V. Williams <i>President & CEO, Director</i>	Stock options	630,000	November 1, 2016	\$0.21	\$0.21	\$0.19	November 1, 2019
Mr. Gadi Levin <i>CFO, Corporate Secretary</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Charles Wiseman <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Rahoul Sharan <i>Director, former interim CEO</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Saeid Babaei <i>Director, Chairman of the Board</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Martin Schmieg <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) All Options granted to directors and NEOs vest immediately.
- (2) Except as permitted by applicable securities laws and the policies of the TSXV, and as provided otherwise in Section 8 of the Stock Option Plan, all Options granted to directors and NEOs are non-assignable and non-transferable.

Exercise of Stock Options and Other Compensation Securities

During the most recently completed financial year, no director or NEO exercised compensation securities.

External Management Companies

Mr. Gadi Levin is the only NEO of the Company that is also not an employee of the Company.

Except as otherwise disclosed, the Company has not been provided with consulting services by external management companies during the financial year ended July 31, 2017.

Employment Agreements

On October 12, 2016, the Company entered into an employment agreement with Dr. William V. Williams which became effective on November 1, 2016. Dr. William V. Williams was appointed President and CEO of the Company. The agreement is for a term of one year expiring October 31, 2016, and will be automatically renewed unless cancelled by either party. Pursuant to the agreement, Dr. William V. Williams will receive a base fee of US\$175,000 over the initial term and be entitled to 632,000 stock options. The base fee may be adjusted to US\$225,000 pending successful completion of a series of milestones. The agreement also provides for other milestone incentive bonuses which may increase the remuneration by an additional US\$50,000. If the agreement is terminated by the Company, all amounts accrued under the agreement shall become due and a lump sum termination fee equal to the pro rata monthly salary times the number of months employed divided by 2 (subject to a maximum of 12) shall become payable. The agreement may be terminated by Dr. William V. Williams upon delivery of 30 days written notice.

The amounts payable pursuant to the employment agreement with Dr. William V. Williams is incurred in US dollars. The Company converts the US dollar amounts in Canadian equivalents using an exchange rate for the date on which Dr. William V. Williams is paid pursuant to Dr. Williams' employment agreement.

Oversight and Description of Director and NEO Compensation

Compensation of Directors

The Company provides a modest cash retainer to its non-executive directors. Executive directors do not receive any cash compensation in their capacity as directors. Long term incentives (stock options) are granted from time to time, based on an existing complement of long term incentives, corporate performance and to be competitive with other companies of similar size and scope.

Compensation of Named Executive Officers

The Company's Compensation Committee (as defined herein) is responsible for, among other things, evaluating the performance of the Company's executive officers, determining or making recommendations to the Board with respect to the compensation of the Company's executive officers, making recommendations to the Board with respect to director compensation, incentive compensation plans and equity-based plans, making recommendations to the Board with respect to the compensation policy for the employees of the Company and ensuring that the Company is in compliance with all legal requirements with respect to compensation disclosure. In performing its duties, the Compensation Committee has the authority to engage such advisors, including executive compensation consultants, as it considers necessary.

Philosophy and Objectives

The compensation program for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, highly-qualified executives;

- (b) motivating the short and long term performances of executives; and
- (c) creating a corporate environment which aligns their interests with those of the shareholders.

The compensation program is designed to provide competitive levels of compensation. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, the Company's NEOs may receive compensation that is comprised of three components: (a) a base salary; (b) bonus compensation; and (c) equity participation through the Company's Stock Option Plan or all such forms of compensation.

Base Salary

In the view of Company, paying base salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on companies earning comparative revenues in a similar industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications.

Bonus Compensation

The Company's primary objective is to achieve certain strategic objectives and milestones. The Company may approve executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. Bonuses paid to the NEOs are allocated on an individual basis. Bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments. There were no bonuses paid to any of the NEOs during the most recently completed financial year.

Equity Participation through Stock Option Plan

The Company has, as a part of its long-term incentive, adopted a Stock Option Plan. The Stock Option Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Compensation Committee believes that the Stock Option Plan aligns the interests of the NEOs with shareholders by linking a component of executive compensation to the longer term performance of the Company's Common Shares.

In monitoring or adjusting the option allotments, the Compensation Committee takes into account the level of options granted for similar levels of responsibility and considers each NEO or employee based on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous options grants and the objectives set for the NEOs. The scale of options will generally be commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Compensation Committee also makes the following determinations:

- the NEOs and others who are entitled to participate in the Stock Option Plan;
- the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than the market price on the date of grant;

- the date on which each option is granted;
- the vesting period, if any, for each stock option; and
- the other material terms and conditions of each stock option grant.

Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatility of the stock market.

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Stock Option Plan. Stock options are granted to senior executives taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. Options are generally granted to senior executives which vest immediately.

All of the NEOs are entitled to participate in the Stock Option Plan.

This Oversight and Description of Director and NEO Compensation was completed by the Company's Compensation Committee.

Pension Plan Benefits

The Company does not have a pension plan in place and therefore there were no pension plan benefit awards made to a director or NEO during the financial year ended July 31, 2017.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth certain information pertaining to the Company's equity compensation plan as at the end of the Company's financial year on July 31, 2017:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities to be issued upon exercise of outstanding options, warrants and rights)
Equity compensation plans approved by security holders	37,263,769	\$0.29	5,733,769
Equity compensation plans not approved by security holders	N/A	N/A	N/A

Note:

- (1) Based on a total of 11,815,061.5 options issuable pursuant to the stock option plan, representing 10% of the Company's issued and outstanding share capital of 118,150,615 Common Shares as at July 31, 2017.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director or executive officer or their respective associates or affiliates, are or have been indebted to the Company or any of its subsidiaries at any time during the last financial year of the Company and no current or former director or executive officer or their respective associates are or have been indebted to an entity at any time during the last financial year of the Company or been the subject of a guarantee, support agreement, letter of credit of other similar arrangement provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSON IN MATERIAL TRANSACTIONS

As at the date of this Information Circular, except as otherwise disclosed in the Information Circular, to the knowledge of the Board or the management of the Company, there are no material interests, whether direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company of any of its subsidiaries.

APPOINTMENT OF AUDITOR

Management of the Company intends to nominate MNP LLP, of 300-111 Richmond Street West, Toronto, Ontario M5H 2G4, which has been the auditor of the Company since November 25, 2014 to be reappointed as the Company's auditor.

Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, FOR the re-appointment of MNP LLP, as the Company's auditor to hold office for the ensuing year at a remuneration to be fixed by the directors.

MANAGEMENT CONTRACTS

The Company's management functions are not, to any substantial degree, performed by a person or persons other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE DISCLOSURE

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 – *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

The Board

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

The Board will, assuming the election of management's nominees for appointment to the Board as described in this Information Circular, be comprised of five directors, two of whom will be independent for the purposes of NI 58-101.

The Board is currently comprised of five directors: Dr. William V. Williams, Dr. Charles Wiseman, Dr. Saeid Babaei, Mr. Rahoul Sharan, and Mr. Martin Schmieg. The independent directors of the Company are Dr. Saeid Babaei and Mr. Martin Schmieg. Dr. Saeid Babaei is also the Chairman of the Board.

The Board annually reviews and makes a determination as to the independence of each director in light of all applicable laws, rules, regulations and stock exchange requirements.

Directorships

As of the date hereof, none of the directors of the Company serves on the board of any other reporting issuers, other than as set out below.

Name	Name of reporting issuer	Name of exchange or market	Position	Term
Dr. Saeid Babaei	Vaxil Bio Ltd.	TSXV	Chairman and Director	May 26, 2015 to March 1, 2018
	Lorus Therapeutics Inc.	TSX; OTCBB	VP, Corporate Development	May 2008 to February 15, 2011
Mr. Rahoul Sharan	Potash Ridge Corp.	TSXV	Director Chairman	April 1, 2011 to February 15, 2016 Sept. 28, 2011 to Feb. 4, 2015
	Global Copper Group Inc. (formerly Galaxy Graphite Corp.)	TSXV	Director CEO/President	Dec. 14, 2009 to Feb. 28, 2014 Dec. 14, 2009 to Feb. 29, 2012
	Parallel Mining Corp.	TSXV	Director	April 18, 2007 to Sept. 10, 2014
	Energy Fuels Inc. (formerly Titan Uranium Inc.)	TSXV	Former Director Former CFO	Aug. 2009 to Feb. 29, 2012 Apr. 1, 2011 to Feb. 29, 2012
	Cue Resources Ltd.	TSXV	Former Director Former President	Feb. 22, 2006 to Feb. 15, 2010 Feb. 22, 2006 to July 2008
	Rainmaker Resources Ltd. (formerly Rainmaker Mining Corp.)	TSXV	Former Director	May 31, 2010 to Mar. 1, 2011
Mr. Martin Schmieg	N/A	N/A	N/A	N/A
Dr. William V. Williams	N/A	N/A	N/A	N/A
Dr. Charles Wiseman	N/A	N/A	N/A	N/A

The Board of the Company has four committees: the audit committee (the "**Audit Committee**"), the compensation committee (the "**Compensation Committee**"), the corporate governance committee (the "**Corporate Governance Committee**") and the nomination committee (the "**Nomination Committee**").

Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

Members of the Board are also encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Company's offices. Board members have full access to records.

Ethical Business Conduct

As at the date of this Information Circular, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the small size of the Board and number of officers and employees allows the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. The Board views good corporate governance as an integral component to its success and to meet its responsibilities to shareholders. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Compensation Committee

The Compensation Committee is appointed by the Board to assist in promoting a culture of integrity throughout the Company, to assist the Board in setting director and senior executive compensation, and to develop and submit to the Board recommendations with respect to other employee benefits as the Compensation Committee sees fit. In the performance of its duties, the Compensation Committee is guided by the following principles:

- offering competitive compensation to attract, retain and motivate highly qualified executives in order for the Company to meet its goals; and
- acting in the interests of the Company and the shareholders by being fiscally responsible.

The Board relies on the knowledge and experience of the members of the Compensation Committee to set appropriate levels of compensation for senior officers. Neither the Company nor the Compensation Committee currently has, or has had at any time since incorporation, any contractual arrangement with any executive compensation consultant who has a role in determining or recommending the amount or form of senior officer compensation.

When determining compensation payable, the Compensation Committee considers both external and internal data. External data includes general markets conditions and well as information regarding compensation paid to directors, CEOs and CFOs of companies of similar size and at a similar stage of development in the industry. Internal data includes annual reviews of the performance of the directors, CEO

and CFO in light of the Company's corporate objectives and considers other factors that may have impacted the Company's success in achieving its objectives.

The Compensation Committee is currently comprised of the following directors of the Company: Mr. Rahoul Sharan (Chair), Dr. William Williams and Dr. Saeid Babaei.

Corporate Governance Committee

The Corporate Governance Committee is appointed by the Board to assist in fulfilling its corporate governance responsibilities under applicable laws the Corporate Governance Committee is responsible for, among other things, developing the Company's approach to governance issues and establishing sound corporate governance practices that are in the interests of shareholders and that contribute to effective and efficient decision-making.

The Corporate Governance Committee is currently comprised of the following directors of the Company: Dr. Saeid Babaei (Chair), Mr. Rahoul Sharan, Mr. Martin Schmiege and Dr. William Williams.

Nomination Committee

The Company's Nomination Committee considers the Board's size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders. Further, the Nomination Committee assumes responsibility for assessing current members and nominating new members to the Board and ensuring that all Board members are informed of and are aware of their duties and responsibilities as directors.

The Nomination Committee is currently comprised of the following directors of the Company: Dr. Saeid Babaei (Chair), Mr. Martin Schmiege and Mr. Rahoul Sharan.

Assessments

No formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

AUDIT COMMITTEE

Under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), the Company is required to provide disclosure with respect to its Audit Committee including the text of the Audit Committee's Charter, composition of the Audit Committee, and the fees paid to the external auditor. The Board adopted an Audit Committee Charter on November 25, 2014. The Company provides the following disclosure with respect to its Audit Committee:

Audit Committee Charter

The text of the Company's Audit Committee Charter is attached to this Information Circular as Schedule "II" – *The Audit Committee Charter*.

Composition of Audit Committee

The following are the members of the Audit Committee:

Name	Whether Independent ⁽¹⁾	Whether Financially Literate ⁽²⁾
Mr. Rahoul Sharan ⁽³⁾	Not Independent	Financially Literate
Dr. Saeid Babaei	Independent	Financially Literate
Mr. Martin Schmieg	Independent	Financially Literate

Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- (3) Chair of the Audit Committee.

Relevant Education and Experience

The education and experience of each Audit Committee member is disclosed below.

Mr. Rahoul Sharan is a Canadian Chartered Professional Accountant, whose career includes 25 years with public and private natural resource companies at both the management and board levels, concentrated in fund raising, mergers and acquisitions, regulatory compliance and financial reporting. He is President of KJN Management Ltd., a private corporation specializing in orchestrating and facilitating the IPO process for private natural resource companies, administrative, management and financial services. Mr. Rahoul Sharan has been on the boards of directors of several public companies in the natural resource sector, playing an active role in strategic planning, corporate governance and business development. He also has extensive experience in all aspects of real estate development, construction and investment. His projects include multi-family apartments and condominiums, retail and commercial buildings and industrial property throughout Canada and the United States. Mr. Rahoul Sharan holds a Bachelor of Commerce from the University of British Columbia and is a member of the Institute of Chartered Professional Accountants of British Columbia.

Dr. Saeid Babaei is a biotech executive with over 20 years of corporate finance, product development and commercialization experience. He is currently Director, President and CEO at AbCelex Technologies Inc., a Canadian biotechnology company developing next generation biologics based on camelid antibodies addressing high unmet need in animal and human applications. Dr. Babaei has closed over 20 licensing deals, and strategic collaborative agreements. He holds a PhD and an executive MBA, both from the University of Toronto. He has authored over 50 publications including research papers, conference presentations and patents. Dr. Babaei is also an Adjunct Professor with the Schulich School of Business, York University, Toronto, Ontario.

Mr. Martin Schmieg is a Certified Public Accountant (inactive) whose career includes serving as a Chief Financial Officer to both private and public companies including Cytometrics, Inc., Advanced Bionics Corporation, Isologen, Inc., Sapiaientia Pharmaceuticals, Inc. and Rokk3r Labs, LLC. Mr. Schmieg has also

served as a director and CEO to Freedom2, Inc., and Nuviliex, Inc., and is a founder and General Manager of Soar Ventures and ClearIt, LLC. Mr. Schmieg is a graduate of La Salle University and holds a B.S. degree in Business Administration: Accounting Major.

Audit Committee Oversight

At no time since the commencement of the Company's financial year ended July 31, 2017 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's financial year ended July 31, 2017 has the Company relied on the exemption in Section 2.4 of NI 52-110 - *De Minimis Non-audit Services*, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chair of the Audit Committee deems is necessary, and the Chair of the Audit Committee will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Audit Committee's consideration and, if thought fit, approval in writing.

External Audit Service Fees

The following table sets forth the fees paid to MNP LLP by the Company during the financial years ended July 31, 2016 and July 31, 2017:

	Year ended July 31, 2017	Year ended July 31, 2016
Audit Fees ⁽¹⁾	\$30,000	\$30,000
Audit-Related Fees	Nil	Nil
Tax Fees ⁽²⁾	\$7,500	Nil
All Other Fees ⁽³⁾	\$2,625	\$2,100
Total:	\$40,125	\$32,100

Notes:

- (1) Aggregate fees billed by the auditor (or accrued) for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements.
- (2) Aggregate fees billed by the auditor (or accrued) for professional services rendered for tax compliance, tax advice and tax planning.
- (3) Aggregate fees billed by the auditor (or accrued) and not included above.

Exemption

The Company is a "venture issuer" as defined in NI 52-110 and as such, is exempt from the requirements of Part 3 - *Composition of the Audit Committee* and Part 5 - *Reporting Obligations* of NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com under the Company's issuer profile. Additional financial information is provided in the Company's comparative financial statements and Management Discussion & Analysis for the financial year ended July 31, 2017. A copy of this document and other public documents of the Company are available upon request to Suite 300 – 235 15th Street, West Vancouver, BC V7T 2X1.

BOARD APPROVAL

The contents and mailing of this Information Circular have been approved by the Board.

DATED this 27th of April, 2018.

**ON BEHALF OF THE BOARD OF
BRIACELL THERAPEUTICS CORP.**

(signed) "Dr. Saeid Babaei"

Dr. Saeid Babaei

Chairman of the Board

SCHEDULE "I"

BRIACELL THERAPEUTICS CORP.

(the "Company")

STOCK OPTION PLAN

1. STATEMENT OF PURPOSE

- 1.1 **Principal Purposes** - The principal purposes of the Plan are to provide the Company with the advantages of the incentive inherent in share ownership on the part of employees, officers, directors and consultants responsible for the continued success of the Company; to create in such individuals a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such individuals to remain with the Company; and to attract new employees, officers, directors and consultants to the Company.
- 1.2 **Benefit to Shareholders** - The Plan is expected to benefit shareholders by enabling the Company to attract and retain skilled and motivated personnel by offering such personnel an opportunity to share in any increase in value of the Shares resulting from their efforts.

2. INTERPRETATION

- 2.1 **Defined Terms** - For the purposes of this Plan, the following terms shall have the following meanings:
- (a) "**Act**" means the *Securities Act* of British Columbia and Alberta where applicable and as amended from time to time;
 - (b) "**Associate**" shall have the meaning ascribed to such term in the applicable Act;
 - (c) "**Board**" means the board of directors of the Company;
 - (d) "**Change in Control**" means:
 - (i) a takeover bid (as defined in the Act), which is successful in acquiring Shares,
 - (ii) the change of control of the Board resulting from the election by the shareholders of the Company of less than a majority of the persons nominated for election by management of the Company,
 - (iii) the sale of all or substantially all the assets of the Company,
 - (iv) the sale, exchange or other disposition of a majority of the outstanding Shares in a single transaction or series of related transactions,
 - (v) the dissolution of the Company's business or the liquidation of its assets,
 - (vi) a merger, amalgamation or arrangement of the Company in a transaction or series of transactions in which the Company's shareholders receive less than 51% of the outstanding shares of the new or continuing corporation, or

- (vii) the acquisition, directly or indirectly, through one transaction or a series of transactions, by any Person, of an aggregate of more than 50% of the outstanding Shares;
- (e) "**Committee**" means a committee of the Board appointed in accordance with this Plan, or if no such committee is appointed, the Board itself;
- (f) "**Company**" means BriaCell Therapeutics Corp., a company incorporated under the laws of British Columbia;
- (g) "**Consultant**" means an individual, other than an Employee, senior officer or director of the Company or a Subsidiary Company, or a Consultant Company, who:
 - (i) provides ongoing bona fide consulting, technical, management or other services to the Company or a Subsidiary Company, other than services provided in relation to a distribution of the Company's securities,
 - (ii) provides the services under a written contract between the Company or a Subsidiary Company and the individual or Consultant Company,
 - (iii) in the reasonable opinion of the Company spends or will spend a significant amount of time and attention on the affairs and business of the Company or a Subsidiary Company, and
 - (iv) has a relationship with the Company or a Subsidiary Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;
- (h) "**Consultant Company**" means, for an individual Consultant, a company of which the individual is an employee or shareholder, or a partnership of which the individual is an employee or partner;
- (i) "**Date of Grant**" means the date specified in the Option Agreement as the date on which the Option is effectively granted;
- (j) "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
 - (i) being employed or engaged by the Company, a Subsidiary Company or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or a Subsidiary Company, or
 - (ii) acting as a director or officer of the Company or a Subsidiary Company;
- (k) "**Disinterested Shareholder Approval**" means an ordinary resolution approved by a majority of the votes cast by shareholders of the Company at a shareholders' meeting, excluding votes attaching to Shares beneficially owned by Insiders to whom Options may be granted and Associates of those persons;
- (l) "**Effective Date**" means the effective date of this Plan, which is the later of the day of its approval by the shareholders of the Company and the day of its acceptance for filing by

the Exchange if such acceptance for filing is required under the rules or policies of the Exchange;

- (m) **"Eligible Person"** means:
 - (i) an Employee, senior officer or director of the Company or any Subsidiary Company,
 - (ii) a Consultant,
 - (iii) an individual providing Investor Relations Activities for the Company, or
 - (iv) a company, all of the voting securities of which are beneficially owned by one or more of the persons referred to in (i), (ii) or (iii) above.

- (n) **"Employee"** means:
 - (i) an individual who is considered an employee under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source),
 - (ii) an individual who works full-time for the Company or a Subsidiary Company providing services normally provided by an employee and who is subject to the same control and direction by the Company or a Subsidiary Company over the details and methods of work as an employee of the Company or a Subsidiary Company, but for whom income tax deductions are not made at source, or
 - (iii) an individual who works for the Company or a Subsidiary Company, on a continuing and regular basis for a minimum amount of time per week, providing services normally provided by an employee and who is subject to the same control and direction by the Company or a Subsidiary Company over the details and methods of work as an employee of the Company or a Subsidiary Company, but for whom income tax deductions are not made at source;

- (o) **"Exchange"** means the stock exchange or over the counter market on which the Shares are listed;

- (p) **"Fair Market Value"** means, where the Shares are listed for trading on an Exchange, the last closing price of the Shares before the Date of Grant on the Exchange which is the principal trading market for the Shares, as may be determined for such purpose by the Committee, provided that, so long as the Shares are listed only on the TSXV, the "Fair Market Value" shall not be lower than the last closing price of the Shares before the Date of Grant less the maximum discount permitted under the policies of the TSXV;

- (q) **"Guardian"** means the guardian, if any, appointed for an Optionee;

- (r) **"Insider"** shall have the meaning ascribed to such term in the Act;

- (s) **"Investor Relations Activities"** means any activities or oral or written communications, by or on behalf of the Company or a shareholder of the Company that promote or

reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (A) to promote the sale of products or services of the Company, or
 - (B) to raise public awareness of the Company,that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
- (ii) activities or communications necessary to comply with the requirements of
 - (A) applicable securities laws, or
 - (B) the rules and policies of the TSXV, if the Shares are listed only on the TSXV, or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (A) the communication is only through the newspaper, magazine or publication, and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the TSXV, if the Shares are listed only on the TSXV;
- (t) "**Option**" means an option to purchase unissued Shares granted pursuant to the terms of this Plan;
- (u) "**Option Agreement**" means a written agreement between the Company and an Optionee specifying the terms of the Option being granted to the Optionee under the Plan;
- (v) "**Option Price**" means the exercise price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of Sections 6.3 and 10;
- (w) "**Optionee**" means an Eligible Person to whom an Option has been granted;
- (x) "**Person**" means a natural person, company, government or political subdivision or agency of a government; and where two or more Persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such syndicate or group shall be deemed to be a Person;
- (y) "**Plan**" means this 2014 Stock Option Plan of the Company;

- (z) "**Qualified Successor**" means a person who is entitled to ownership of an Option upon the death of an Optionee, pursuant to a will or the applicable laws of descent and distribution upon death;
- (aa) "**Shares**" means the common shares in the capital of the Company as constituted on the Date of Grant, adjusted from time to time in accordance with the provisions of Section 10;
- (bb) "**Subsidiary Company**" shall mean a company which is a subsidiary of the Company;
- (cc) "**Term**" means the period of time during which an Option may be exercised; and
- (dd) "**TSXV**" means the TSX Venture Exchange.

3. ADMINISTRATION

- 3.1 **Board or Committee** - The Plan shall be administered by the Board or by a Committee appointed in accordance with Section 3.2.
- 3.2 **Appointment of Committee** - The Board may at any time appoint a Committee, consisting of not less than three of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan. In the absence of the appointment of a Committee by the Board, the Board shall administer the Plan.
- 3.3 **Quorum and Voting** - A majority of the members of the Committee shall constitute a quorum, and, subject to the limitations in this Section 3, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. No member of the Committee who is a director to whom an Option may be granted may participate in the decision to grant such Option (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee in which action is to be taken with respect to the granting of an Option to him).
- 3.4 **Powers of Board and Committee** - The Board shall from time to time authorize and approve the grant by the Company of Options under this Plan, and any Committee appointed under Section 3.2 shall have the authority to review the following matters in relation to the Plan and to make recommendations thereon to the Board:
 - (a) administration of the Plan in accordance with its terms;
 - (b) determination of all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the value of the Shares;
 - (c) correction of any defect, supply of any information or reconciliation of any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
 - (d) prescription, amendment and rescission of the rules and regulations relating to the administration of the Plan;

- (e) determination of the duration and purpose of leaves of absence from employment which may be granted to Optionees without constituting a termination of employment for purposes of the Plan;
- (f) with respect to the granting of Options:
 - (i) determination of the employees, officers, directors or consultants to whom Options will be granted, based on the eligibility criteria set out in this Plan,
 - (ii) determination of the terms and provisions of the Option Agreement which shall be entered into with each Optionee (which need not be identical with the terms of any other Option Agreement) and which shall not be inconsistent with the terms of this Plan,
 - (iii) amendment of the terms and provisions of an Option Agreement, provided the Board obtains:
 - (A) the consent of the Optionee, and
 - (B) if required, the approval of any stock exchange on which the Shares are listed,
 - (iv) determination of when Options will be granted,
 - (v) determination of the number of Shares subject to each Option,
 - (vi) determination of the vesting schedule, if any, for the exercise of each Option; and
- (g) other determinations necessary or advisable for administration of the Plan.

3.5 **Obtain Approvals** - The Board will seek to obtain any regulatory, Exchange or shareholder approvals which may be required pursuant to applicable securities laws or Exchange rules.

3.6 **Administration by Committee** - The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan. In addition, the Committee's administration of the Plan shall in all respects be consistent with the Exchange policies and rules.

4. **ELIGIBILITY**

4.1 **Eligibility for Options** - Options may be granted to any Eligible Person.

4.2 **Insider Eligibility for Options** - Notwithstanding Section 4.1, if the Shares are listed only on the TSXV, grants of Options to Insiders shall be subject to the policies of the TSXV.

4.3 **No Violation of Securities Laws** - No Option shall be granted to any Optionee unless the Committee has determined that the grant of such Option and the exercise thereof by the Optionee will not violate the securities law of the jurisdiction in which the Optionee resides.

5. **SHARES SUBJECT TO THE PLAN**

5.1 **Number of Shares** – The maximum number of Shares issuable from time to time under the Plan is that number of Shares which is equal to 10% of the number of issued Shares of the Company on

the Date of Grant of Options. The maximum number of Shares issuable under the Plan shall be adjusted, where necessary, to take account of the events referred to in Section 10.

5.2 **Expire of Option** - If an Option expires or terminates for any reason without having been exercised in full, the unpurchased Shares subject thereto shall again be available for the purposes of the Plan.

5.3 **Reservation of Shares** - The Company will at all times reserve for issuance and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

6. OPTION TERMS

6.1 **Option Agreement** - Each Option granted to an Optionee shall be confirmed by the execution and delivery of an Option Agreement and the Board shall specify the following terms in each such Option Agreement:

- (a) the number of Shares subject to option pursuant to such Option, subject to the following limitations if the Shares are listed only on the TSXV:
 - (i) the number of Shares reserved for issuance pursuant to Options to any one Optionee shall not exceed 5% of the issued Shares in any 12-month period (unless the Company is designated as a "Tier 1" listed company by the TSXV and has obtained Disinterested Shareholder Approval to exceed this number),
 - (ii) the number of Shares reserved for issuance pursuant to Options to any one Consultant shall not exceed 2% of the issued Shares in any 12-month period, and
 - (iii) the aggregate number of Shares reserved for issuance pursuant to Options to Employees and those individuals conducting Investor Relations Activities shall not exceed 2% of the issued Shares in any 12-month period;
- (b) the Date of Grant;
- (c) the Term, provided that, if the Shares are listed only on the TSXV, the length of the Term shall in no event be greater than five years following the Date of Grant, except, if the Company is designated as "Tier 1" listed company by the TSXV, then the Term shall be no greater than ten years following the Date of Grant, for all Optionees;
- (d) the Option Price, provided that the Option Price shall not be less than the Fair Market Value of the Shares on the Date of Grant;
- (e) subject to Section 6.2 below, any vesting schedule upon which the exercise of an Option is contingent;
- (f) if the Optionee is an Employee, Consultant or an individual providing Investor Relations Activities for the Company, a representation by the Company and the Optionee that the Optionee is a bona fide Employee, Consultant or an individual providing Investor Relations Activities for the Company, as the case may be, of the Company or a Subsidiary Company; and
- (g) such other terms and conditions as the Board deems advisable and are consistent with the purposes of this Plan.

- 6.2 **Vesting Schedule** - The Board, as applicable, shall have complete discretion to set the terms of any vesting schedule of each Option granted, including, without limitation, discretion to:
- (a) permit partial vesting in stated percentage amounts based on the Term of such Option;
 - (b) permit full vesting after a stated period of time has passed from the Date of Grant; and
 - (c) any options issued to Consultants performing Investor Relations Activities must vest in stages over 12 months with no more than $\frac{1}{4}$ of the options vesting in any three month period.
- 6.3 **Amendments to Options** - Amendments to the terms of previously granted Options are subject to regulatory approval, if required. If required by the Exchange, Disinterested Shareholder Approval shall be required for any reduction in the Option Price of a previously granted Option if the Optionee is an Insider of the Company at the time of the proposed reduction in the Option Price.
- 6.4 **Uniformity** - Except as expressly provided herein, nothing contained in this Plan shall require that the terms and conditions of Options granted under the Plan be uniform.

7. **EXERCISE OF OPTION**

- 7.1 **Method of Exercise** - Subject to any limitations or conditions imposed upon an Optionee pursuant to the Option Agreement or Section 6 hereof, an Optionee may exercise an Option by giving written notice thereof, specifying the number of Shares in respect of which the Option is exercised, to the Company at its principal place of business at any time after the Date of Grant until 4:00 p.m. (Vancouver time) on the last day of the Term, such notice to be accompanied by full payment of the aggregate Option Price to the extent the Option is so exercised. Such payment shall be in lawful money (Canadian funds) by cash, cheque, bank draft or wire transfer. Payment by cheque made payable to the Company in the amount of the aggregate Option Price shall constitute payment of such Option Price unless the cheque is not honoured upon presentation, in which case the Option shall not have been validly exercised.
- 7.2 **Issuance of Certificates** - Not later than the third business day after exercise of an Option in accordance with Section 7.1, the Company shall issue and deliver to the Optionee a certificate or certificates evidencing the Shares with respect to which the Option has been exercised. Until the issuance of such certificate or certificates, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the certificate is issued, except as provided by Section 10 hereof.
- 7.3 **Compliance with U.S. Securities Laws** - As a condition to the exercise of an Option, the Board may require the Optionee to represent and warrant in writing at the time of such exercise that the Shares are being purchased only for investment and without any then-present intention to sell or distribute such Shares. At the option of the Board, a stop transfer order against such Shares may be placed on the stock books and records of the Company and a legend, indicating that the stock may not be pledged, sold or otherwise transferred unless an opinion of counsel is provided stating that such transfer is not in violation of any applicable law or regulation, may be stamped on the certificates representing such Shares in order to assure an exemption from registration. The Board may also require such other documentation as may from time to time be necessary to comply with United States federal and state securities laws. The Company has no obligation to undertake registration of Options or the Shares issuable upon the exercise of the Options.

8. TRANSFERABILITY OF OPTIONS

- 8.1 **Non-Transferable/Legending** - Except as permitted by applicable securities laws and the policies of the Exchange, and as provided otherwise in this Section 8, Options are non-assignable and non-transferable. If the Shares are listed only on the TSXV, then, in addition to any resale restrictions under applicable securities laws, if the Company is, at the Date of Grant of an Option, designated as a "Tier 2" listed company by the TSXV or, if the Company is not so designated but the Option Price is based on a discount from the last closing price of the Shares on the TSXV, the Option Agreement and the certificates representing the Shares issued on the exercise of such Option shall bear the TSXV legend with a four-month hold period commencing on the Date of Grant if required under TSXV Policies.
- 8.2 **Death of Optionee** - Subject to Section 8.3, if the employment of an Optionee as an Employee of, or the services of a Consultant providing services to, the Company or any Subsidiary Company, or the employment of an Optionee as an individual providing Investor Relations Activities, or the position of the Optionee as a director or senior officer of the Company or any Subsidiary Company, terminates as a result of such Optionee's death, any Options held by such Optionee shall pass to the Qualified Successor of the Optionee and shall be exercisable by such Qualified Successor until the earlier of a period of not more than one year following the date of such death and the expiry of the Term of the Option.
- 8.3 **Disability of Optionee** - If the employment of an Optionee as an Employee of, or the services of a Consultant providing services to, the Company or any Subsidiary Company, or the employment of an Optionee as an individual providing Investor Relations Activities for the Company, or the position of the Optionee as a director or senior officer of the Company or any Subsidiary Company, is terminated by reason of such Optionee's Disability, any Options held by such Optionee that could have been exercised immediately prior to such termination of employment or service shall be exercisable by such Optionee, or by his Guardian, for a period of 30 days following the termination of employment or service of such Optionee. If such Optionee dies within that 30-day period, any Option held by such Optionee that could have been exercised immediately prior to his or her death shall pass to the Qualified Successor of such Optionee, and shall be exercisable by the Qualified Successor until the earlier of a period of 30 days following the death of such Optionee and the expiry of the Term of the Option.
- 8.4 **Vesting** - Options held by a Qualified Successor or exercisable by a Guardian shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.
- 8.5 **Deemed Non-Interruption of Employment** - Employment shall be deemed to continue intact during any military or sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Optionee's right to reemployment with the Company or any Subsidiary Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Optionee's reemployment is not so guaranteed, then the Optionee's employment shall be deemed to have terminated on the ninety-first day of such leave.

9. TERMINATION OF OPTIONS

- 9.1 **Termination of Options** - To the extent not earlier exercised or terminated in accordance with Section 8, an Option shall terminate at the earliest of the following dates:
- (a) the termination date specified for such Option in the Option Agreement;

- (b) where the Optionee's position as an Employee, a Consultant, a director or a senior officer of the Company or any Subsidiary Company, or an individual providing Investor Relations Activities for the Company, is terminated for cause, the date of such termination for cause;
- (c) where the Optionee's position as an Employee, a Consultant, a director or a senior officer of the Company or any Subsidiary Company or an individual providing Investor Relations Activities for the Company terminates for a reason other than the Optionee's Disability or death or for cause, not more than 90 days after such date of termination or, if the Shares are listed only on the TSXV and if the Company is designated as a "Tier 2" listed company by the TSXV, then in the case of a person employed to provide Investor Relations Activities, not more than 30 days after such person ceases to be employed to provide Investor Relations Activities; PROVIDED that if an Optionee's position changes from one of the said categories to another category, such change shall not constitute termination or cessation for the purpose of this Subsection 9.1(c); and
- (d) the date of any sale, transfer, assignment or hypothecation, or any attempted sale, transfer, assignment or hypothecation, of such Option in violation of Section 8.1.

9.2 **Lapsed Options** - If Options are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the Shares not purchased under such lapsed Options. If an Option has been surrendered in connection with the regranting of a new Option to the same Optionee on different terms than the original Option granted to such Optionee, then, if required, the new Option is subject to approval of the Exchange.

9.3 **Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement** - If the Optionee retires, resigns or is terminated from employment or engagement with the Company or any Subsidiary Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not vested at that time or which, if vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

10. **ADJUSTMENTS TO OPTIONS**

10.1 **Alteration in Capital Structure** - If there is any change in the Shares through or by means of a declaration of stock dividends of the Shares or consolidations, subdivisions or reclassifications of the Shares, or otherwise, the number of Shares available under the Plan, the Shares subject to any Option and the Option Price therefor shall be adjusted proportionately by the Board and, if required, approved by the Exchange, and such adjustment shall be effective and binding for all purposes of the Plan.

10.2 **Effect of Amalgamation, Merger or Arrangement** - If the Company amalgamates, merges or enters into a plan of arrangement with or into another corporation, any Shares receivable on the exercise of an Option shall be converted into the securities, property or cash which the Optionee would have received upon such amalgamation, merger or arrangement if the Optionee had exercised the Option immediately prior to the record date applicable to such amalgamation, merger or arrangement, and the exercise price shall be adjusted proportionately by the Board and such adjustment shall be binding for all purposes of the Plan.

- 10.3 **Acceleration on Change in Control** - Upon a Change in Control, all Options shall become immediately exercisable, notwithstanding any contingent vesting provisions to which such Options may have otherwise been subject.
- 10.4 **Acceleration of Date of Exercise** - Subject to the approval of the Exchange, if required, the Board shall have the right to accelerate the date of vesting of any portion of any Option which remains unvested.
- 10.5 **Determinations to be Binding** - If any questions arise at any time with respect to the Option Price or exercise price or number of Option Shares or other property deliverable upon exercise of an Option following an event referred to in this Section 10, such questions shall be conclusively determined by the Board, whose decisions shall be final and binding.
- 10.6 **Effect of a Take-Over** - If a *bona fide* offer (the "**Offer**") for Shares is made to an Optionee or to shareholders generally or to a class of shareholders which includes the Optionee, which Offer constitutes a take-over bid within the meaning of the Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon any Option held by an Optionee may be exercised in whole or in part, notwithstanding any contingent vesting provisions to which such Options may have otherwise been subject, by the Optionee so as to permit the Optionee to tender the Shares received upon such exercise (the "**Optioned Shares**") to the Offer. If:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Optioned Shares tendered by the Optionee pursuant to the Offer are not taken up and paid for by the offeror pursuant thereto;

the Optioned Shares or, in the case of clause (b) above, the Optioned Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Optioned Shares, the Option shall be reinstated as if it had not been exercised. If any Optioned Shares are returned to the Company under this Section, the Company shall refund to the Optionee any Option Price paid for such Optioned Shares.

11. APPROVAL, TERMINATION AND AMENDMENT OF PLAN

- 11.1 **Shareholder Approval** - This Plan, if the Shares are listed only on the TSXV, is subject to:

- (a) shareholder approval on a yearly basis at the Company's next ensuing annual general meeting; and
- (b) Disinterested Shareholder Approval if:
 - (i) a stock option plan, together with all of the Issuer's previously established and outstanding stock option plans or grants, could result at any time in:
 - (A) the number of shares reserved for issuance under stock options granted to Insiders exceeding 10% of the issued shares,
 - (B) the grant to Insiders, within a 12 month period, of a number of options exceeding 10% of the issued share, or

(C) the issuance to any one Optionee, within a 12 month period, of a number of shares exceeding 5% of the issued share, or

(ii) the Issuer is decreasing the exercise price of stock options previously granted to Insiders.

11.2 **Power of Board to Terminate or Amend Plan** - Subject to the approval of the Exchange, if required, the Board may terminate, suspend or discontinue the Plan at any time or amend or revise the terms of the Plan; provided, however, that, except as provided in Section 10, the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, approval by the Company's shareholders at a meeting duly held in accordance with the applicable corporate laws:

- (a) increase the maximum number of Shares which may be issued under the Plan;
- (b) materially modify the requirements as to eligibility for participation in the Plan; or
- (c) materially increase the benefits accruing to participants under the Plan;

however, the Board may amend the terms of the Plan to comply with the requirements of any applicable regulatory authority, or as a result of changes in the policies of the Exchange relating to director, officer and employee stock options, without obtaining the approval of the Company's shareholders.

11.3 **No Grant During Suspension of Plan** - No Option may be granted during any suspension, or after termination, of the Plan. Amendment, suspension or termination of the Plan shall not, without the consent of the Optionee, alter or impair any rights or obligations under any Option previously granted.

12. **CONDITIONS PRECEDENT TO ISSUANCE OF SHARES**

12.1 **Compliance with Laws** - Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such shares shall comply with all relevant provisions of law, including, without limitation, any applicable United States state securities laws, the *Securities Act of 1933*, as amended, the rules and regulations thereunder and the requirements of any Exchange or automated interdealer quotation system of a registered national securities association upon which such Shares may then be listed or quoted, and such issuance shall be further subject to the approval of counsel for the Company with respect to such compliance, including the availability of an exemption from registration for the issuance and sale of such Shares. The inability of the Company to obtain from any regulatory body the authority deemed by the Company to be necessary for the lawful issuance and sale of any Shares under this Plan, or the unavailability of an exemption from registration for the issuance and sale of any Shares under this Plan, shall relieve the Company of any liability with respect to the non-issuance or sale of such Shares other than with respect to a refund of any Option Price paid.

13. **USE OF PROCEEDS**

13.1 **Use of Proceeds** - Proceeds from the sale of Shares pursuant to the Options granted and exercised under the Plan shall constitute general funds of the Company and shall be used for general corporate purposes, or as the Board otherwise determines.

14. NOTICES

- 14.1 **Notices** - All notices, requests, demands and other communications required or permitted to be given under this Plan and the Options granted under this Plan shall be in writing and shall be either delivered personally to the party to whom notice is to be given, in which case notice shall be deemed to have been duly given on the date of such personal delivery; telecopied, in which case notice shall be deemed to have been duly given on the date the telecopy is sent; or mailed to the party to whom notice is to be given, by first class mail, registered or certified, return receipt requested, postage prepaid, and addressed to the party at his or its most recent known address, in which case such notice shall be deemed to have been duly given on the tenth postal delivery day following the date of such mailing.

15. MISCELLANEOUS PROVISIONS

- 15.1 **No Obligations to Exercise** - Optionees shall be under no obligation to exercise Options granted under this Plan.
- 15.2 **No Obligation to Retain Optionee** - Nothing contained in this Plan shall obligate the Company or any Subsidiary Company to retain an Optionee as an employee, officer, director or consultant for any period, nor shall this Plan interfere in any way with the right of the Company or any Subsidiary Company to reduce such Optionee's compensation.
- 15.3 **Binding Agreement** - The provisions of this Plan and of each Option Agreement with an Optionee shall be binding upon such Optionee and the Qualified Successor or Guardian of such Optionee.
- 15.4 **Use of Terms** - Where the context so requires, references herein to the singular shall include the plural, and vice versa, and references to a particular gender shall include either or both genders.
- 15.5 **Headings** - The headings used in this Plan are for convenience of reference only and shall not in any way affect or be used in interpreting any of the provisions of this Plan.
- 15.6 **No Representation or Warranty** - The Company makes no representation or warranty as to the future value of any Shares issued in accordance with the provisions of this Plan.
- 15.7 **Income Taxes** - As a condition of and prior to participation in the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to such Optionee any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of such Optionee's participation in the Plan.
- 15.8 **Withholding Tax Requirements** - Upon exercise of an Option, the Optionee will, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Common Shares, pay to the Company amounts necessary to satisfy applicable withholding tax requirements or will otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation will have the right to retain and withhold from any payment of cash or Common Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid in respect of such payment. At its discretion, the Company may require the Optionee receiving Common Shares to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution to the Optionee in whole or in part until the Company is so reimbursed. In lieu thereof, the Company will have the right to withhold from any cash amount due or to become due from the Company to the Optionee an amount equal to such taxes. The Company may also retain

and withhold or the Optionee may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Common Shares having a market value not less than the amount of such taxes required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Common Shares so withheld.

- 15.9 **Compliance with Applicable Law** - If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange or over the counter market having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.
- 15.10 **Conflict** - In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.
- 15.11 **Governing Law** - This Plan and each Option Agreement issued pursuant to this Plan shall be governed by the laws of the Province of Ontario.
- 15.12 **Time of Essence** - Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be, or to operate as, a waiver of the essentiality of time.
- 15.13 **Entire Agreement** - This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior stock option plans, agreements, undertakings and understandings, whether oral or written.

16. EFFECTIVE DATE OF PLAN

- 16.1 **Effective Date of Plan** - This Plan shall be effective on the later of the day of its approval by the shareholders of the Company given by way of ordinary resolution and the day of its acceptance for filing by the Exchange.

SCHEDULE "II"

THE AUDIT COMMITTEE'S CHARTER

Mandate

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the company to regulatory authorities and the Company's shareholders, the Company's systems of internal controls regarding finance and accounting and the Company auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The following are the members of the Committee:

Name	Whether Independent ⁽¹⁾	Whether Financially Literate ⁽²⁾
Mr. Rahoul Sharan ⁽³⁾	Not Independent	Financially Literate
Mr. Martin Schmieg	Independent	Financially Literate
Dr. Saeid Babaei	Independent	Financially Literate

Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- (3) Chair of the Audit Committee.

The members of the Committee shall be elected by the Board of Directors at its first meeting following an annual shareholder's meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Relevant education and experience

All members of the Audit Committee have:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

Meetings

The Committee shall meet at least annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the external auditors.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update this Audit Committee's Charter annually.
- (b) Review the Company's financial statements, Management Discussion & Analysis and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (g) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

- (i) Review certification process.

Other

- (a) Review any related-party transactions.