

**VERITAS PHARMA INC.**  
Suite 101 – 2386 East Mall, University of British Columbia  
Vancouver, British Columbia, Canada V6T 1Z3  
Telephone (778) 998-6260

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

TAKE NOTICE that the annual general and special meeting (the "**Meeting**") of Shareholders of **VERITAS PHARMA INC.** (the "**Company**") will be held at Suite 700 - 401 West Georgia Street, Vancouver, British Columbia, on Friday, January 25, 2019, at 10:00 a.m., Vancouver time, for the following purposes:

1. To receive the report of the Directors of the Company;
2. To receive and consider the audited financial statements of the Company for its fiscal period ended April 30, 2018, and the report of the auditor thereon;
3. To fix the number of Directors of the Company at four;
4. To elect Directors of the Company for the ensuing year;
5. To appoint auditors for the ensuing year and to authorize the Directors to fix their remuneration;
6. To consider and, if thought fit, to pass an ordinary resolution ratifying and approving the existing 10% rolling stock option plan of the Company;
7. To consider and, if thought fit, to pass, with or without variation, a special resolution authorizing and approving the consolidation of the Company's issued and outstanding common shares on the basis of one (1) "new" share for every ten (10) "old" shares or such lesser ratio as the board of directors of the Company deems appropriate; and
8. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The Information Circular dated December 20, 2018 and the form of Proxy accompany this Notice. The Information Circular contains details of matters to be considered at the Meeting.

**A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder's shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of Proxy, or another suitable form of Proxy, and deliver it by fax, by hand or by mail in accordance with the instructions set out in the form of Proxy and in the Information Circular.**

DATED at Vancouver, British Columbia, this 20<sup>th</sup> day of December, 2018.

BY ORDER OF THE BOARD

*"Lui Franciosi"*

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Lui Franciosi  
President, CEO and Director

## VERITAS PHARMA INC.

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Vancouver, British Columbia, Canada V6T 1Z3  
Telephone (778) 998-6260

### INFORMATION CIRCULAR

#### SOLICITATION OF PROXIES

This information circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Veritas Pharma Inc. (the "**Company**") for use at the annual general and special meeting of the shareholders (the "**Shareholders**") of the Company (the "**Meeting**") to be held at Suite 700 - 401 West Georgia Street, Vancouver, British Columbia, on January 25, 2019 at 10:00 a.m. (Vancouver time) and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual General and Special Meeting of Shareholders.

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. All costs of this solicitation will be borne by the Company. The Company has made arrangements for intermediaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for reasonable fees and disbursements incurred by them in so doing.

Notice of the Meeting was provided to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to the "**Company**", "**we**" and "**our**" refer to Veritas Pharma Inc.; "**Common Shares**" means common shares in the authorized share structure of the Company; "**Beneficial Shareholders**" means Shareholders who do not hold Common Shares in their own name and "**Intermediaries**" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of the Beneficial Shareholders.

#### Date of Information Circular

Information contained in this Information Circular is given as at December 18, 2018, unless otherwise indicated.

### GENERAL PROXY INFORMATION

#### Revocability of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) executing a proxy bearing a later date; or
- (b) executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the shareholder's authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by depositing the Proxy bearing a later date with Computershare Investor Services Inc., or at the address of the registered office of the Company at Suite 700 - 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the date that precedes any reconvening thereof, or to the

chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

- (c) by the registered shareholder personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **Appointment of Proxyholders**

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be Shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf.

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

A proxy will not be valid unless the completed, signed and dated form of proxy is delivered to the office of **Computershare Investor Services Inc., at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-249-7775 and outside North America to (416) 263-9524, or by telephone to 1-866-732-VOTE (8683) or internet at [www.investorvote.com](http://www.investorvote.com)** not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

### **Exercise of Discretion**

The Management Designees named in the Proxy will vote or withhold from voting the shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. The Proxy will confer discretionary authority on the nominees named therein with respect to:

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

**In respect of a matter for which a choice is not specified in the Proxy, the Management Designees will vote the Common Shares represented by the Proxy at their own discretion for the approval of such matter.**

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

### **Proxy Voting Options**

If you are a registered Shareholder, you may elect to submit a proxy in order to vote whether or not you are able to attend the Meeting in person. In order to vote by mail, you must complete, date and sign the Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc., at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-

249-7775 and outside North America to (416) 263-9524, or by telephone to 1-866-732-VOTE (8683) or internet at [www.investorvote.com](http://www.investorvote.com) at any time up to and including 10:00 a.m. (Vancouver time) on January 23, 2019.

### **Advice to Beneficial Holders of Common Shares**

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Beneficial Shareholders should note that only Proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

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

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting material. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder, the form of proxy supplied to you by your broker (or its agent) is similar to the form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Communications Solutions Canada ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the Management Designees to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. It must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of your broker), you may attend at the Meeting as proxyholder for your broker and vote the Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker or have a person designated by you to do so, you should enter our own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker (or your broker's agent) in accordance with the instructions provided by your broker (or agent), well in advance of the Meeting.

Alternatively, you may request in writing that your broker send you a legal Proxy which would enable you, or a person designed by you, to attend at the Meeting and vote your Common Shares.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than as disclosed herein.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors (the "**Board**") of the Company has fixed December 18, 2018, as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares without par value. As of the Record Date, the Company had 123,573,993 Common Shares outstanding, each carrying the right to one vote. The Company has no other classes of voting securities.

To the knowledge of the directors and executive officers of the Company, no one beneficial owner owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the outstanding voting rights of the Company.

#### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein except for the special resolution approving the consolidation of the Company's issued and outstanding common shares, which requires a majority of not less than two-thirds (2/3) of the votes cast at the Meeting. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

#### **Recommendation of the Board**

The Board unanimously recommends that Shareholders vote in favour of all resolutions.

#### **ELECTION OF DIRECTORS**

The Board currently consists of five directors. Management proposes to fix the number of directors of the Company at four (4) and to nominate the persons listed below for election as directors.

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

Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is

intended that discretionary authority shall be exercised by the person named in the proxy as nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares of the Company which each beneficially owns or over which control or direction is exercised:

<b>Nominee Position with the Company and Province/State and Country of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Director of the Company Since</b>	<b>Committee Membership</b>	<b>Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised<sup>(2)</sup></b>
Luigi Franciosi Director, President and Chief Executive Officer British Columbia, Canada	President and CEO of the Company since December 2015. Executive Director, Royal City Manor, a Fraser Health licensed long term care facility. Adjunct Professor in the Department of Anesthesiology, Pharmacology, & Therapeutics, Faculty of Medicine with UBC.	November 4, 2015	Audit	332,500
Lorne Mark Roseborough Director British Columbia, Canada	A Director of Sunvault Energy Inc. since January 2014,	August 31, 2018	N/A	Nil
Blair C. Lowther Director British Columbia, Canada	Executive Vice President, Corporate Development & Legal with BlocPal International Inc., an e-commerce company, since May 2018, Director for Sport BC since May 2016; and Lawyer with Miller Thomson LLP from September 2009 to August 2017.	November 20, 2018	Audit	Nil
Nicholas Standish Director British Columbia, Canada	Chief Executive Officer and President of Stamatis Ventures Ltd., a private investment company, since July, 2017, Advisor in Blocpal International, a FinTech company, since February, 2018, Advisor in Envio Systems Inc., a June, since 2015. a financial planner with Elite Planning Group from January 2010 to September, 2014	November 20, 2018	Audit	657,895

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.
- (2) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by Computershare Investor Services Inc., the registrar and transfer agent of the Company, insider reports filed on SEDI and by the nominees themselves.

Other than as set out below, to the knowledge of the Company, no proposed director is, or has, within the 10 years before the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that,

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Company, no proposed director of the Company was, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including Veritas Pharma Inc.) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of the Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for that proposed director.

## **COMPENSATION OF EXECUTIVE OFFICERS**

### **Compensation Discussion and Analysis**

#### **Compensation**

The Board as a whole has the responsibility of determining the compensation for the Chief Executive Officer (the "**CEO**") and the Chief Financial Officer (the "**CFO**") and of determining compensation for directors and senior management.

The Company's compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

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 (defined below) may receive compensation that is comprised of three components:

- Salary, wages or contractor payments;
- Stock option grants; and/or

- Bonuses.

The objective and reason for this system of compensation is to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary is not evaluated against a formal “peer group”. The Compensation Committee relies on the general experience of its members in setting base salary amounts.

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.

Any bonuses paid to the NEOs are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year, including work related to administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

### Executive Compensation

In this section “**Named Executive Officer**” or “**NEO**” means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose total compensation exceeds \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year end.

Luigi Franciosi, the Company's President and CEO and David Alexander, the Company's CFO were the “**Named Executive Officers**” of the Company for the purposes of the following disclosure. There are no other executive officers of the Company whose total compensation exceeded \$150,000 during the financial year ended April 30, 2018. The compensation paid to the Named Executive Officers for the three most recently completed financial years of the Company is as set out below:

**Summary Compensation Table**

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Luigi Franciosi <sup>(2)(3)</sup> President and CEO	2018	387,344	N/A	103,810	Nil	Nil	N/A	Nil	491,154
	2017	115,600	N/A	24,865	Nil	Nil	N/A	Nil	140,465
	2016	60,000	N/A	117,594	Nil	Nil	N/A	Nil	177,594
David Alexander <sup>(4)</sup> CFO	2018	310,250	N/A	87,399	Nil	Nil	N/A	Nil	397,649
	2017	104,000	N/A	215,920	Nil	Nil	N/A	Nil	319,920
	2016	38,000	N/A	78,396	Nil	Nil	N/A	Nil	116,396

(1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model. The Company uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes. The Black-Scholes assumptions used by the Company for 2018 and 2017 are disclosed in note 11 to the audited financial

statements for the year ended April 30, 2018 and for 2016 are disclosed in note 12 to the audited financial statements for the year ended April 30, 2017.

- (2) Luigi Franciosi and David Alexander also serve or served as the directors of the Company and receive compensation for services as the directors, and that compensation has been included in the figures provided in this Summary Compensation Table. Amounts, if any, which relate to the director role are disclosed in subsequent footnotes hereunder.
- (3) Luigi Franciosi was paid through his holding company Franciosi Consulting Ltd.
- (4) David Alexander was paid through his holding company 482130 BC Ltd. Mr. Alexander resigned from all positions held by him with the Company effective December 20, 2018.

### **Outstanding Share-Based Awards And Option-Based Awards**

The following tables provide information regarding all share-based and option-based awards granted to the Named Executive Officers and which are outstanding as at April 30, 2018.

Name (a)	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options <sup>(1)</sup> (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)
	Luigi Franciosi <sup>(2)</sup> President and CEO	300,000 100,000	0.25 0.32	January 4, 2021 September 6, 2021	45,000 8,000	N/A N/A
David Alexander <sup>(3)</sup> CFO	400,000	0.65	February 19, 2019	Nil	N/A	N/A

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.40 and the exercise or base price of the option.
- (2) Luigi Franciosi was paid through his holding company Franciosi Consulting Ltd.
- (3) David Alexander was paid through his holding company 482130 BC Ltd. Mr. Alexander resigned from all positions held by him with the Company effective December 20, 2018.

### **Incentive Plan Awards - value vested or earned during the year**

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan. The following table sets forth the value of all incentive plan awards vested in or earned by the Named Executive Officers during the year ended April 30, 2018.

Name (a)	Option-based awards – Value vested during the year <sup>(1)</sup> (\$) (b)	Share-based awards – Value vested during the year (\$) (c)	Non-equity incentive plan compensation – Value earned during the year (\$) (d)
Luigi Franciosi <sup>(2)</sup> President and CEO	103,810	N/A	N/A
David Alexander <sup>(3)</sup> CFO	87,399	N/A	N/A

- (1) This amount is calculated based on the difference between the exercise price of the options and the market value of the securities underlying the options on the vesting dated which was \$◆.
- (2) Luigi Franciosi was paid through his holding company Franciosi Consulting Ltd.
- (3) David Alexander was paid through his holding company 482130 BC Ltd. Mr. Alexander resigned from all positions held by him with the Company effective December 20, 2018.

### **Termination of Employment, Change in Responsibilities and Employment Contracts**

There are no employment contracts between the Company and the Named Executive Officers.

There are no compensatory plans, contracts or arrangements between the Company and any Named Executive Officer, where the Named Executive Officer is entitled to receive more than \$50,000 from the Company, including periodic payments or installments, in the event of:

- (a) the resignation, retirement or any other termination of employment of the Named Executive Officer with the Company;
- (b) a change of control of the Company; or
- (c) a change of the Named Executive Officer's responsibilities following a change in control.

### **Pension Arrangements**

The Company does not have any pension arrangements in place for the Named Executive Officers.

## **COMPENSATION OF DIRECTORS**

For a description of the compensation paid to the Company's Named Executive Officer(s) who also act as directors, see "Summary Compensation Table".

Other than as disclosed elsewhere in this Information Circular, no director of the Company who is not a Named Executive Officer has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

The Company may grant incentive stock options to directors of the Company from time to time pursuant to the stock option plan of the Company and in accordance with the policies of the Canadian Securities Exchange (the "**CSE**").

The compensation paid to the directors, other than the Named Executive Officers, during the Company's most recently completed financial year is as set out below:

Name (a)	Fees earned (\$) (b)	Share-based awards (\$) (c)	Option-based awards <sup>(1)</sup> (\$) (d)	Non-equity incentive plan compensation (\$) (e)	Pension value (\$) (f)	All other compensation (\$) (g)	Total (\$) (h)
Matthew Hamilton <sup>(2)</sup>	Nil	N/A	N/A	Nil	N/A	Nil	N/A
Donald Ross Carlow <sup>(3)</sup>	Nil	N/A	32,775	Nil	N/A	Nil	32,775
Linda Sampson <sup>(4)</sup>	Nil	N/A	N/A	Nil	N/A	Nil	N/A
Yari Nieken <sup>(5)</sup>	18,000	N/A	34,603	Nil	N/A	Nil	52,603

- (1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model. The Company uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes. The Black-Scholes assumptions used by the Company for 2018 are disclosed in note 11 to the audited financial statements for the year ended April 30, 2018.
- (2) Matthew Hamilton resigned as a director of the Company on May 17, 2017.
- (3) Donald Ross Carlow resigned as a director of the Company on November 20, 2018.
- (4) Linda Sampson resigned as a director of the Company on August 14, 2018.
- (5) Yari Nieken resigned as a director of the Company on November 20, 2018.

### **Narrative Discussion**

Other than amounts already included in the above table, the Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a stock option plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options to the Company's directors is to assist the Company in compensating, attracting, retaining and motivating the directors and to closely align the personal interests of the directors to that of the Company's shareholders.

### **Outstanding Share-Based Awards And Option-Based Awards**

The following table sets forth information concerning all share-based and option-based awards granted to each of the directors who is not a Named Executive Officer and which were outstanding at April 30, 2018.

Director Name (a)	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options <sup>(1)</sup> (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)
Matthew Hamilton <sup>(2)</sup>	Nil	Nil	Nil	Nil	N/A	N/A

Director Name (a)	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options <sup>(1)</sup> (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)
	Donald Ross Carlow <sup>(3)</sup>	150,000 100,000	0.65 0.64	February 19, 2019 December 21, 2018	Nil Nil	N/A
Linda Sampson <sup>(4)</sup>	250,000	0.64	December 21, 2018	Nil	N/A	N/A
Yari Nieken <sup>(5)</sup>	400,000	0.65	February 19, 2019	Nil	N/A	N/A

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.40 and the exercise or base price of the option.
- (2) Matthew Hamilton resigned as a director of the Company on May 17, 2017.
- (3) Donald Ross Carlow resigned as a director of the Company on November 20, 2018.
- (4) Linda Sampson resigned as a director of the Company on August 14, 2018.
- (5) Yari Nieken resigned as a director of the Company on November 20, 2018.

**Incentive Plan Awards - value vested or earned during the year**

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan. The following table sets forth the value of all incentive plan awards vested in or earned by each of the directors who is not a Named Executive Officer during the year ended April 30, 2018.

Name (a)	Option-based awards – Value vested during the year <sup>(1)</sup> (\$) (b)	Share-based awards – Value vested during the year (\$) (c)	Non-equity incentive plan compensation – Value earned during the year (\$) (d)
Matthew Hamilton <sup>(2)</sup>	Nil	N/A	N/A
Donald Ross Carlow <sup>(3)</sup>	32,775	N/A	N/A
Linda Sampson <sup>(4)</sup>	Nil	N/A	N/A
Yari Nieken <sup>(5)</sup>	34,603	N/A	N/A

- (1) This amount is calculated based on the difference between the exercise price of the options and the market value of the securities underlying the options on the vesting date which was \$♦.
- (2) Matthew Hamilton resigned as a director of the Company on May 17, 2017.
- (3) Donald Ross Carlow resigned as a director of the Company on November 20, 2018.
- (4) Linda Sampson resigned as a director of the Company on August 14, 2018.
- (5) Yari Nieken resigned as a director of the Company on November 20, 2018.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan that the Company has in place is a stock option plan (the “Plan”). The Plan was established to provide an incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the directors of the Company. The Plan provides that options will be issued pursuant to option agreements with directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Plan provides that the number of Common Shares issuable under the Plan, together with all of the Company’s other previously established or proposed share compensation agreements, may not exceed 10% of the total number of issued and outstanding Common Shares at the date of grant. All options expire on a date not later than five years after the issuance of such option.

The following table sets forth securities of the Company that are authorized for issuance under equity compensation plans as at the end of the Company’s most recently completed fiscal year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	5,245,000	\$0.68	1,684,680
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>5,245,000</b>	<b>\$0.68</b>	<b>1,684,680</b>

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate of any director, executive officer or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company.

The Company has not provided any guarantees, support agreements, letters of credit or other similar arrangement or understanding for any indebtedness of any of the Company’s directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by

the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

Since the commencement of the Company's most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

#### **APPOINTMENT OF AUDITOR**

Management recommends that Shareholders vote to re-appoint Saturna Group Chartered Accountants LLP, of Suite 1250, 1066 West Hastings Street, Vancouver, BC V6E 3X1, as auditors for the Company and to authorize the directors to fix their remuneration. Saturna Group Chartered Accountants LLP were first appointed as auditors for the Company on July 6, 2015. See "*External Auditor Service Fees*" under "*Audit Committee And Relationship With Auditor*".

#### **MANAGEMENT CONTRACTS**

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

#### **CORPORATE GOVERNANCE**

##### **General**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**").

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the "**CSA**") have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of their corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

##### **Board of Directors**

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

The independent members of the Board of Directors of the Company are Donald Ross Carlow and Yari Nieken. The non-independent directors are David Alexander, the CFO of the Company and Luigi Franciosi, the President and CEO of the Company.

The Board facilitates its independent supervision over management by choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent directors are, however, able to meet at any time without any the non-independent directors being present. Further supervision is performed through the Audit Committee who may meet with the Company's auditors without management being in attendance.

## Directorships

The participation of the directors in other reporting issuers as at the date of this Information Circular is described in the following table:

Name of Director	Names of Other Reporting Issuers of which the Director is a Director
Luigi Franciosi	Blok Technologies Inc. (formerly Aida Minerals Corp.)
Lorne Mark Roseborough	N/A
Blair C. Lowther	N/A
Nicholas Standish	N/A

## Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's operations and on director responsibilities.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussions with all Board members.

## Ethical Business Conduct

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

## Nomination of Directors

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

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

## Other Board Committees

The Board has no committees other than the Audit Committee.

The Audit Committee provides an open avenue of communication between management, the Company's independent auditors and the Board and to assist the Board in its oversight of:

- (a) the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- (b) the Company's compliance with legal and regulatory requirements related to financial reporting; and
- (c) the independence and performance of the Company's independent auditors.

The Audit Committee also performs any other activities consistent with the Audit Committee Charter, the Company's Articles and governing laws as the Audit Committee or Board deems necessary or appropriate. See "*Audit Committee and Relationship with Auditor*".

### **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and the Audit Committee.

### **Compensation**

The Board is not compensated for acting as directors, except for being granted incentive stock options pursuant to the policies of the CSE and the Company's stock option plan. The Board acts as a whole to determine and approve the final stock grants and compensation amounts.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 *Audit Committees* of the CSA ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee (the "**Audit Committee**") and its relationship with its independent auditors, as set forth in the following.

### **Audit Committee Charter**

The Company has adopted a charter (the "**Charter**") of the Audit Committee of the Board, which is attached as Schedule "A" to this Information Circular.

### **Composition of the Audit Committee**

The current members of the Audit Committee are Lui Franciosi, Nick Standish and Blair Lowther. Nick Standish and Blair Lowther are independent members of the Audit Committee and Lui Franciosi is not independent. All of the members of the Audit Committee are considered to be financially literate.

### **Relevant Education and Experience**

Dr. Lui Franciosi was the Chief Operations Officer of Verona Pharma Plc, a public company currently trading on the Alternative Investments Market (AIM) of the London Stock Exchange. Dr. Franciosi is an experienced manager with formal business education and a PhD in Pharmacology & Therapeutics. Dr. Franciosi has a good understanding of the accounting principles used by Veritas Pharma to prepare its financial statements. Dr. Franciosi can assess the general application of such accounting principles about the accounting of estimates, accruals and provisions. Dr. Franciosi has no 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 Veritas' financial statements. Dr. Franciosi has a strong understanding of internal controls and procedures required for financial reporting.

Nick Standish has extensive business experience, consulting and advising on a range of issues in different industries, including financing planning from 2010-2014.

For nearly a decade, Blair Lowther has provided legal assistance to companies listed on the NYSE, TSX, TSXV and CSE. Blair has also been a member of the Finance & Audit committee for both Sport BC and Canada SCORES. Blair has a BA (English/Economics) and JD from the University of British Columbia and is a member of the Law Society of British Columbia.

### Audit Committee Oversight

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

### Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter.

### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year 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 NI 52-110.

### External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Saturna Group Chartered Accountants LLP, to the Company to ensure auditor independence. The fees incurred for audit and non-audit services in the last fiscal year are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended April 30, 2018	Fees Paid to Auditor in Year Ended April 30, 2017
Audit Fees <sup>(1)</sup>	\$18,500	\$18,500
Audit-Related Fees <sup>(2)</sup>	0	0
Tax Fees <sup>(3)</sup>	0	0
All Other Fees <sup>(4)</sup>	0	0
<b>Total</b>	<b>\$18,500</b>	<b>\$18,500</b>

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

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

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

(4) "All Other Fees" include all other non-audit services.

### Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Approval of Stock Option Plan

The CSE requires listed companies that have “rolling” stock option plans in place receive shareholder approval of such plans on a yearly basis at the Company’s annual general meeting. Accordingly, Shareholders will be asked at the Meeting to ratify and approve the Plan.

The purpose of the Plan is to provide certain directors, officers and key employees of, and certain other persons who provide services to the Company and any subsidiaries with an opportunity to purchase Common Shares of the Company and benefit from any appreciation in the value of the Company’s Common Shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Common Shares for the benefit of all the Shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The Plan provides for a floating maximum limit of 10% of the outstanding Common Shares, as permitted by the policies of the CSE. As at December 18, 2018, this represents 12,357,399 Common Shares available under the Plan, of which 4,600,000 are issued and 7,937,399 are reserved and available for issuance under the Plan.

Under the Plan, the option price must not be less than the exercise price permitted by the CSE. The current policies of the CSE state that the option price must not be less than the greater of (i) the closing price of the Common Shares listed on the CSE on the day immediately preceding the date of grant, and (ii) the date of grant. Any amendment to the Plan requires the approval of the CSE and may require shareholder approval.

The material terms of the Plan are as follows:

1. The term of any options granted under the 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.
2. Subject to a minimum price of \$0.10 per Common Share, the exercise price of any options granted under the Plan will be determined by the Board, in its sole discretion, and shall not be less than the closing market price of the Company’s Common Shares immediately preceding the day on which the directors grant such options, less any discount as permitted by the CSE.
3. No vesting requirements will apply to options granted under the Plan other than as required by CSE policies; however, a four-month hold period will apply to all shares if options are granted at an exercise price which is less than the closing market price, each option is subject to a four-month hold period, commencing from the date of grant.
4. All options will be non-assignable and non-transferable.
5. No more than (i) 5% of the issued Common Shares may be granted to any one individual in any 12-month period; and (ii) 2% of the issued Common Shares may be granted to any one consultant, or an employee conducting investor relation activities, in any 12-month period.
6. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company’s Common Shares.

The Plan is subject to annual shareholder approval and CSE acceptance to its filing. Shareholders will be asked at the Meeting to consider, and if thought fit, approve an ordinary resolution ratifying and approving the Plan.

The full text of the Plan will be made available at the registered and records offices of the Company, Suite 700 – 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1, until 4 p.m. on the business day immediately preceding the date of the Meeting.

#### *Shareholder Approval*

Shareholders will be asked at the Meeting to approve with or without variation the following resolution:

“BE IT RESOLVED THAT the Company's Stock Option Plan be and is hereby ratified and approved, and that in connection therewith a maximum of 10% of the issued and outstanding common shares at the time of each grant be approved for granting as options and that the board of directors be and are hereby authorized, without further shareholder approval, to make such changes to the Stock Option Plan as may be required or approved by regulatory authorities.”

#### **Approval of Share Consolidation**

Shareholders are being asked to consider and, if thought advisable, to approve a special resolution, the form of which is set out below (the "**Resolution**"), to consolidate the Common Shares on a basis of one (1) "new" Common Share for every ten (10) "old" Common Shares or such lesser ratio as the Board deems appropriate (the "**Consolidation**"), effective at such time to be determined by the Board following an affirmative vote on the issue at the Meeting. To be effective, the Resolution must be approved by at least two-thirds (2/3) of the votes cast by the Shareholders in person or represented at the Meeting by proxy, in accordance with the provisions of Section 54(3) of the British Columbia *Business Corporations Act* and the Articles of the Company. The Consolidation is subject to CSE approval.

The proposed change will reduce by a factor of up to 10 (or less if a lower consolidation ratio is thought advisable by the Board) the number of the Common Shares that are outstanding. Management and the Board believe that the Consolidation is in the best interests of the Company and the Shareholders. Management believes that a successful completion of the Consolidation will enhance the Company's ability to complete future equity financings. The Consolidation will not change a Shareholder's proportionate ownership in the Company or the rights of holders of Common Shares. Each whole Common Share outstanding after the Consolidation will be entitled to one vote and will be fully paid and non-assessable. No fractional Common Shares will be issued upon effecting the Consolidation. If as a result of the Consolidation, a holder of Common Shares would otherwise be entitled to a fraction of a Common Share, any fraction, if it is less than one half of a Common Share, shall be cancelled, and if it is at least one half of a Common Share, shall be rounded up to one whole Common Share. As a result of the Consolidation, there will be certain consequential amendments to outstanding options and warrants to acquire Common Shares to preserve proportionately the rights of holders of such securities.

Non-registered Shareholders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or nominees may have various procedures for processing the Consolidation. If a Shareholder holds Common Shares with such a bank, broker or nominee and has any questions in this regard, this Shareholder is encouraged to contact them. Shareholders will be asked at the Meeting to approve with or without variation the following special resolution:

“RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Common Shares be consolidated on the basis of one (1) "new" Common Share for every ten (10) "old" Common Shares outstanding, or such lesser ratio as the Board deems appropriate (the "Consolidation");

2. the directors of the Company, in their sole and complete discretion, may act upon this special resolution to effect the Consolidation, or if deemed appropriate and without any further approval from the shareholders of the Issuer, may choose not to act upon this special resolution, notwithstanding shareholder approval of the Consolidation;
3. should the directors of the Company choose to act upon this special resolution to effect the Consolidation and subject to the deposit of this resolution at the Company's records office, the solicitors for the Company are authorized and directed to take all necessary steps to give effect to this special resolution; and
4. any one director or officer of the Company is authorized and directed on behalf of the Company, to take all necessary steps and proceedings, and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things as may be necessary or desirable to give effect to this special resolution."

#### **Other Matters**

As of the date of this Information Circular, management knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

#### **Additional Information**

Additional information relating to the Company is available through the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Financial information on the Company is provided in the Company's comparative financial statements and management discussion and analysis for the most recently completed financial year ended April 30, 2018. Copies of the Company's financial statements and management discussion and analysis may be obtained upon request from the Company to the attention of: Lui Franciosi at 101 – 2386 East Mall, University of British Columbia, Vancouver, B.C. V6T 1Z3 778-998-6260..

#### **APPROVAL AND CERTIFICATION**

The contents of this Information Circular have been approved and this mailing has been authorized by the Directors of the Company.

Where information contained in this Information Circular rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

Dated at Vancouver, British Columbia, this 20<sup>th</sup> day of December, 2018.

#### **BY ORDER OF THE BOARD OF DIRECTORS**

"Lui Franciosi"

Lui Franciosi  
President, CEO and Director

## Schedule "A"

### VERITAS PHARMA INC. (the "Company")

#### AUDIT COMMITTEE CHARTER

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This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

#### 1. Composition

- (a) Number of Members. The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) Chair. If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) Financially Literacy. All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

#### 2. Meetings

- (a) Quorum. The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) Agenda. The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) Notice to Auditors. The Company's auditors (the "**Auditors**") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (d) Minutes. Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

#### 3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

##### External Auditor

The Audit Committee will:

- (a) Selection of the external auditor. Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.

- (b) Scope of Work. Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) Compensation. Recommend to the Board the compensation to be paid to the external auditors.
- (d) Replacement of Auditor. If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) Approve Non-Audit Related Services. Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) Direct Responsibility for Overseeing Work of Auditors. Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) Resolution of Disputes. Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

#### Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) Review Audited Financial Statements. Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) Review of Interim Financial Statements. Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports. Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (d) Auditor Reports and Recommendations. Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

#### Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) Internal Control. Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (b) Financial Management. Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (c) Accounting Policies and Practices. Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.

- (d) Litigation. Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (e) Other. Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

#### Complaints

- (a) Accounting, Auditing and Internal Control Complaints. The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (b) Employee Complaints. The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

#### **4. Authority**

- (a) Auditor. The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) To Retain Independent Advisors. The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

#### **5. Reporting**

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.