

**BRIGHT MINDS BIOSCIENCES INC.**  
19 Vestry Street  
New York, NY 10013

**NOTICE OF ANNUAL GENERAL MEETING OF  
SHAREHOLDERS  
TO BE HELD ON MARCH 28, 2025**

**AND**

**INFORMATION CIRCULAR**

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.*

## BRIGHT MINDS BIOSCIENCES INC.

### NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of Bright Minds Biosciences Inc. (the “**Company**”) will be held at the offices of McMillan LLP, Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7 on Friday, March 28, 2025, at 10:00 a.m. (Pacific Time) for the following purposes:

1. To receive the audited consolidated financial statements of the Company for the financial year ended September 30, 2024, together with the auditor’s report thereon (the “**Annual Financial Statements**”), and the related management discussion and analysis (“**MD&A**”).
2. To elect directors of the Company for the ensuing year.
3. To appoint DeVisser Gray LLP as the auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration.
4. To pass an ordinary resolution to approve the Company’s Stock Option Plan, as amended, as described in the accompanying Information Circular (the “**Circular**”).
5. To pass an ordinary resolution to approve the Company’s Restricted Share Unit Plan, as amended, as described in the accompanying Circular.

In order to be valid and acted upon at the Meeting, proxies must be received no later than 10:00 a.m. (Pacific Time) on Wednesday, March 26, 2025 or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time for holding the Meeting or any postponement(s) or adjournment(s) thereof. Failure to so deposit a form of proxy will result in its invalidation. Notwithstanding the foregoing, the chair of the Meeting has the discretion to accept proxies received after such deadline.

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

The Annual Financial Statements and MD&A will be made available at the Meeting and are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### **Notice-and-Access**

The Company has elected to use the notice-and-access model (“**Notice-and-Access Provisions**”) set out in National Instrument 51-102 – *Continuous Disclosure Obligations* and in National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the delivery of meeting materials related to this Meeting. The Notice-and-Access Provisions allow the Company to reduce the volume of materials to be physically mailed to Shareholders by posting the Circular and any additional annual meeting materials (the “**Proxy Materials**”) online. Under Notice-and-Access, instead of receiving paper copies of the Circular, registered Shareholders will receive the Notice and Access Notification to Shareholders (the “**N&A Notification**”) and a form of proxy (the “**Proxy**”). In the case of beneficial (non-registered) Shareholders, they will receive the N&A Notification and a voting instruction form (“**VIF**”). The form of Proxy/VIF enables Shareholders to vote. **Before voting, Shareholders are reminded to review the Circular online by logging onto the website access page provided and following the instructions set out below.** Shareholders may also choose to receive a printed copy of the Circular by following the procedures set out below.

Copies of the Proxy Materials, the Annual Financial Statements, and MD&A are posted on the Company's website at <https://brightmindsbio.com/>.

### **How to Obtain Paper Copies of the Circular**

Any Shareholder may request a paper copy of the Circular be mailed to them at no cost by contacting the Company at 19 Vestry Street New York, NY 10013 or by telephone at 1-647-865-8622 or toll-free at 1-866-962-0498. A Shareholder may also use the toll-free number noted above to obtain additional information about Notice-and-Access Provisions.

To allow adequate time for a Shareholder to receive and review a paper copy of the Circular and then to submit their vote by **10:00 a.m. (Pacific Time) on March 26, 2025** (the "**Proxy Deadline**") a Shareholder requesting a paper copy of the Circular as described above, should ensure such request is received by the Company no later than **March 12, 2025**. Under Notice-and-Access Provisions, Proxy Materials must be available for viewing for up to 1 year from the date of posting and a paper copy of the Circular can be requested at any time during this period. To obtain a paper copy of the Circular after the Meeting date, please contact the Company.

The Company will **not** use a procedure known as '**stratification**' in relation to its use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer while using Notice-and-Access Provisions also provides a paper copy of the management proxy circular to some of its shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under Notice-and-Access Provisions, which will **not** include a paper copy of the Circular.

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

Non-registered Shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their Common Shares will be voted at the Meeting. If you hold your Common Shares in a brokerage account, you are a non-registered Shareholder.

**DATED** at Vancouver, British Columbia, as of this 10<sup>th</sup> day of February, 2025.

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

*"Ian McDonald"*

**Ian McDonald**  
**President and Chief Executive Officer**

**BRIGHT MINDS BIOSCIENCES INC.**

19 Vestry Street  
New York, NY 10013

**MANAGEMENT INFORMATION CIRCULAR**  
(as at February 10 2025, except as otherwise noted)

**This Management Information Circular (“Circular”) is furnished in connection with the solicitation of proxies by the management of Bright Minds Biosciences Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of the Company’s shareholders (the “Shareholders”) to be held on March 28, 2025 at the time and place and for the purposes set forth in the accompanying notice of Meeting.**

In this Circular, references to “the Company”, “we” and “our” refer to **Bright Minds Biosciences Inc.** “**Common Shares**” means common shares in the capital 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 Beneficial Shareholders. “**Registered Shareholder**” means the person whose name appears on the central securities register maintained by or on behalf of the Company and who holds Common Shares in their own name.

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

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. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

**Notice-and-Access**

Notice-and-Access means provisions (“**Notice-and-Access Provisions**”) concerning the delivery of proxy-related materials to Shareholders found in Section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), in the case of Registered Shareholders, and Section 2.7.1 of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), in the case of Beneficial (“**Non-Registered**”) Shareholders, which allow an issuer to deliver an information circular forming part of proxy-related materials to Shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met.

Notice-and-Access Provisions are a mechanism which allows reporting issuers other than investment funds to choose to deliver proxy-related materials to registered holders and beneficial owners of securities by posting such materials on a non-SEDAR+ website (usually the reporting issuer’s website and sometimes the transfer agent’s website) rather than delivering such materials by mail. Notice-and-Access Provisions can be used to deliver materials for both special and general meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners are entitled to request delivery of a paper copy of the information circular at the reporting issuer’s expense.

Use of Notice-and-Access Provisions reduces paper waste and mailing costs to the issuer. To utilize Notice-and-Access Provisions to deliver proxy-related materials by posting an information circular (and if applicable, other materials) electronically on a website that is not SEDAR+, the Company must send a

notice to Shareholders, including Non-Registered Shareholders, indicating that the proxy-related materials have been posted on website and explaining how a Shareholder can access them or obtain from the Company, a paper copy of the information circular. This Circular has been posted in full on the Company's website at <https://brightmindsbio.com/> and is also available for viewing under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

In order to use Notice-and-Access Provisions, a reporting issuer must set the record date for notice of the meeting to be on a date that is at least 40 days prior to the meeting in order to ensure there is sufficient time for the Circular to be posted on the applicable website and other materials to be delivered to Shareholders. The requirements of that notice, which require the Company to provide basic information about the Meeting and the matters to be voted on, explain how a Shareholder can obtain a paper copy of the Circular and any related financial statements and management discussion and analysis, and explain the Notice-and-Access Provisions process, have been built into the Notice of Meeting. The Notice of Meeting has been delivered to Shareholders by the Company, along with the applicable voting document (a form of proxy in the case of Registered Shareholders or a voting instruction form in the case of Non-Registered Holders).

The Company will not rely upon the use of 'stratification'. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of its information circular with the notice to be provided to Shareholders as described above. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions and all documents required to vote in respect of all matters to be voted on at the Meeting. No Shareholder will receive a paper copy of the Circular from the Company or any intermediary unless such Shareholder specifically requests the same.

**The Circular is available for review at <https://brightmindsbio.com/>, being the website address to the Company's AGM page. Any Shareholder who wishes to obtain a paper copy of the Circular, should contact the Company at 19 Vestry Street New York, NY 10013 or by telephone at 1-647-865-8622 or toll-free at 1-866-962-0498. A Shareholder may also use the toll-free number noted above to obtain additional information about Notice-and-Access Provisions.** To ensure that a paper copy of the Circular can be delivered to a requesting Shareholder in time for them to review the Circular and return a proxy or voting instruction form prior to the Proxy Deadline, it is strongly suggested such Shareholder's request is received by the Company no later than **March 12, 2025**.

In accordance with the requirements of NI 54-101, the Company distributes copies of the Notice of Meeting and the form of Proxy (collectively, the "**notice package**") to the Depository and Intermediaries for onward distribution to Beneficial Shareholders. The Company does not send the notice package directly to Beneficial (Non-Registered) Shareholders. Intermediaries are required to forward the notice package to all Beneficial Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

### **Appointment of Proxyholders**

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

### **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with

respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (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 persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

### **Registered Shareholders**

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

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-732-8683, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9;
- (b) use a touch-tone phone to transmit voting choices to the toll-free number given in the proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the proxy access number; or
- (c) via Computershare's internet website [www.investorvote.com](http://www.investorvote.com). Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In either case you must ensure the Proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof. Failure to complete or deposit the Proxy properly may result in its invalidation. Notwithstanding the foregoing, the chair of the Meeting has the discretion to accept proxies received after such deadline.

**Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting and register with the scrutineer before the Meeting. If you have already submitted a Proxy but choose to change your method of voting and attend the Meeting to vote, then you should register with the scrutineer before the Meeting and inform them that your previously submitted Proxy is revoked and that you personally will vote your Common Shares at the Meeting.**

### **Beneficial Shareholders**

**The following information is of significant importance to Shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

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

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

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

These securityholder materials are sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder and the Company or its agent sent these materials directly to you, you are a NOBO and your name, address and information about your holdings of securities, were obtained from the intermediary holding securities on your behalf and in accordance with applicable securities regulatory requirements including, but not limited to, NI 54-101.

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

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

#### **Notice to Shareholders in the United States**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended (the "**Exchange Act**"), are not applicable to the Company or this solicitation, and this

solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

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

### **Revocation 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:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare, or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, 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 last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) 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.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or 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 the election of directors, as further described below.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The board of directors of the Company (the “**Board**”) has fixed February 10, 2025, 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 the 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, which Common Shares are listed for trading under the stock symbol “DRUG” on both the Canadian Securities Exchange (the “**CSE**”) and the Nasdaq Capital Market (“**Nasdaq**”). Prior to the commencement of trading on the Nasdaq on November 8, 2021, the Company’s Common Shares also traded on the Over-the-Counter Markets under stock symbol “BMBIF”. Once the Common Shares were trading on the Nasdaq, the Common Shares ceased to be traded on the Over-the-Counter Markets. The Company is also subject to the



reporting obligations under section 13(a) of the Exchange Act. As of Record Date, there were 7,043,989 Common Shares issued and outstanding, each carrying the right to one vote. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, only the following persons or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company as of February 10, 2025:

| Shareholder Name                                       | Number of Common Shares Held | Percentage of Issued Common Shares <sup>(1)</sup> |
|--|------------------------------|---|
| Ian McDonald   | 1,004,900                    | 14.27%  |
| Cormorant Global Healthcare Master Fund, LP            | 1,059,331                    | 15.04%  |
| Janus Henderson Biotech Innovation Master Fund Limited | 719,574                      | 10.22%  |

Notes:

(1) The percentage is calculated based on 7,043,989 Common Shares that were outstanding as of Record Date.

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

A simple majority of affirmative votes cast in person or by proxy at the Meeting is required to pass the resolutions described herein as ordinary resolutions.

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.

### **FINANCIAL STATEMENTS**

The Annual Financial Statements and MD&A will be placed before Shareholders at the Meeting for their consideration. No formal action will be taken at the Meeting to approve the Annual Financial Statements or MD&A. If any Shareholder has questions regarding such Annual Financial Statements or MD&A, such questions may be brought forward at the Meeting. Copies of the Annual Financial Statements and MD&A are available through the internet on SEDAR+, which can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca).

### **ELECTION OF DIRECTORS**

The size of the Board was set by resolution of the directors at five (5) directors. Accordingly, to continue the current number of directors and pursuant to the Articles of the Company (the “**Articles**”) the Board has not changed the number of directors to be elected and five (5) directors will be elected at the Meeting. Shareholders are asked to consider the persons set forth in the table below as director nominees, and to vote at the Meeting to elect them as directors for the ensuing year.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director’s office is vacated earlier in accordance with the provisions of the BCBCA, each director elected

will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

*Advance Notice Provision*

Pursuant to the Advance Notice Provisions contained in the Articles, the Board has determined that notice of nominations of persons for election to the Board at the Meeting must be made in accordance with the requirements of such Advance Notice Provisions. To the date of this Circular, the Company has not received notice of a nomination in compliance with the Articles and, subject to the timely receipt of any such nomination, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

The following table sets out the names of management's five (5) nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the last five (5) years for each director nominee), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, at February 10, 2025.

| <b>Name, Place of Residence and Position(s) with the Company</b>  | <b>Principal Occupation, Business or Employment for Last Five Years<sup>(1)</sup></b> | <b>Director Since</b> | <b>Number of Common Shares Owned and Percentage of Ownership<sup>(1)</sup></b> |
|---|---|-----------------------|--|
| <b>Ian McDonald</b><br>Chief Executive Officer,<br>President & Director<br>Dubai, United Arab<br>Emirates | <i>See director biographies below</i>   | May 31, 2019          | 1,004,900 <sup>(6)</sup><br>(14.27%)   |
| <b>Nils Bottler</b> <sup>(2)(3)(4)(5)</sup><br>Director<br>Berlin, Germany                                | <i>See director biographies below</i>   | September 29,<br>2020 | 5,000 <sup>(7)</sup><br>(0.07%)  |
| <b>Jeremy Fryzuk</b> <sup>(2)(3)(4)(5)</sup><br>Director<br>London, UK                                    | <i>See director biographies below</i>   | September 29,<br>2020 | 4,609 <sup>(8)</sup><br>(0.065%)   |
| <b>Jan Pedersen</b><br>Chief Scientific Officer and<br>Director<br>Region Hovedstaden,<br>Denmark         | <i>See director biographies below</i>   | April 27, 2022        | 60,000 <sup>(9)</sup><br>(0.85%)   |
| <b>David Weiner</b> <sup>(2)(3)(4)(5)</sup><br>Director<br>New York, USA                                  | <i>See director biographies below</i>   | February 16,<br>2023  | Nil <sup>(10)</sup>  |

**Notes:**

- (1) Information has been furnished by the respective nominees individually.
- (2) Member of the Audit Committee.
- (3) Member of the Nominating and Corporate Governance Committee.

- (4) Member of the Compensation Committee.
- (5) Member of the Corporate Disclosure Committee.
- (6) Mr. McDonald also owns (i) 30,000 RSUs to acquire 30,000 Common Shares expiring on December 1, 2027 (30,000 vest on December 1, 2025), and (ii) 60,000 warrants to purchase 60,000 Common Shares at a price of \$1.70 expiring on December 22, 2028.
- (7) Mr. Bottler also holds (i) 15,000 Options to purchase 15,000 Common Shares at a price of \$1.84 expiring on March 22, 2029 (25% of which vested on March 22, 2024; 25% of which will vest on March 22, 2025; 25% of which will vest on March 22, 2026 and 25% of which will vest on March 22, 2027); and (ii) 5,000 Options to purchase 5,000 Common shares at a price of \$1.65 expiring October 3, 2029 (50% of which vested on October 3, 2024; 25% of which will vest on October 3, 2025; and 25% of which will vest on October 3, 2026).
- (8) Mr. Fryzuk also holds (i) 16,000 Options to purchase 16,000 Common Shares at a price of \$6.25 expiring on November 17, 2025 (33% of which vested on November 17, 2021, 33% of which vested on November 17, 2022 and 33% of which vested on November 17, 2023); (ii) 20,000 Options to purchase 20,000 Common Shares at a price of \$1.84 expiring March 22, 2029 (25% of which vested on March 22, 2024; 25% of which will vest on March 22, 2025; 25% of which will vest on March 22, 2026 and 25% of which will vest on March 22, 2027); and (iii) 10,000 Options to purchase 10,000 Common Shares at a price of \$1.65 expiring October 3, 2029 (50% of which vested on October 3, 2024; 25% of which will vest on October 3, 2025; and 25% of which will vest on October 3, 2026).
- (9) Dr. Pedersen owns (i) 10,000 RSUs to acquire 10,000 Common Shares expiring on April 27, 2027 (10,000 will vest on April 27, 2025); and 25% of which will vest on April 27, 2026); (ii) 25,000 RSUs to acquire 25,000 Common Shares expiring on December 1, 2027 (25,000 will vest on December 1, 2025); and (iii) 20,000 Options to purchase 20,000 Common Shares at a price of \$1.65 expiring October 3, 2029 (50% of which vested on October 3, 2024; 25% of which will vest on October 3, 2025; and 25% of which will vest on October 3, 2026).
- (10) Dr. Weiner holds (i) 16,000 Options to purchase 16,000 Common Shares at a price of \$5.25 expiring on February 16, 2028 (25% of which vested on February 16, 2024; 25% of which will vest on February 16, 2025; 25% of which will vest on February 16, 2026; and 25% of which will vest on February 16, 2027); (ii) 20,000 Options to purchase 20,000 Common Shares at a price of \$1.84 expiring March 22, 2029 (25% of which vested on March 22, 2024; 25% of which will vest on March 22, 2025; 25% of which will vest on March 22, 2026 and 25% of which will vest on March 22, 2027); and (iii) 10,000 Options to purchase 10,000 Common Shares at a price of \$1.65 expiring on October 3, 2029 (50% of which vested on October 3, 2024; 25% of which will vest on October 3, 2025; and 25% of which will vest on October 3, 2026).

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the designated persons intend to exercise discretionary authority to vote the Common Shares represented by proxies for the election of any other persons as directors.

## **Biographies of Director Nominees**

### Ian McDonald

Mr. McDonald is an entrepreneur and former Investment Banker. Prior to joining the Company, Mr. McDonald served on the management team at a TSX-listed gold mining company. In that capacity, Mr. McDonald developed and implemented the corporate strategy as it relates to M&A and capital markets resulting in a \$160 million sale within one year. Previously, he worked in a senior role at a Canadian Investment Bank and in private equity in Vancouver, London and Toronto. Under Mr. McDonald's guidance, clients raised hundreds of millions of dollars in capital. Mr. McDonald has served as a member of the Board of Directors of several TSX Venture Exchange, Canadian Securities Exchange listed and private companies.

### Nils Bottler

Mr. Bottler is a Venture Capitalist currently working at Think.Health Ventures as an Associate Partner. The company focuses on investment in early-stage start-ups in the fields of digital health and medical device technology. Think.Health supports its portfolio beyond financial investment with knowledge, experience and access to an extensive business network.

Mr. Bottler's prior work experience was in the banking industry working mainly on M&A projects as well as on a number of consulting projects in Germany, China, the UK, and the United Arab Emirates. He then moved to digital media and analyzed, developed and executed new business models at the Axel Springer SE in Berlin before taking a deep dive into the German health care market as SVP RHÖN-Innovations and the premier hospital chain RHÖNKLINIKUM AG.

### Jeremy Fryzuk

Mr. Fryzuk is a private equity investment professional based in London. He has over 10 years of experience in private equity. He started his career in investment banking in Toronto with BMO Capital Markets. Mr. Fryzuk holds a Bachelor of Commerce with a major in Finance from Dalhousie University in Canada.

### Dr. Jan Pedersen

Dr. Pedersen is an innovative and highly experienced leader in drug discovery research, with more than 25 years of expertise in neuroscience research management. Dr. Pedersen's academic interests include neurodegeneration, bioinformatics, biophysics and drug discovery R&D. He is the founder of Torleif Science ApS, a consultancy company aimed at delivering innovation and new ideas in neuroscience. Prior to that, Dr. Pedersen spent 20 years at Lundbeck, a global pharmaceutical company specialized in brain diseases, in positions of increasing responsibility, including building its neurodegeneration/Alzheimer's disease pipeline, and bringing research programs to the clinic. Dr. Pedersen received an MSc in Chemistry from DTU – Technical University of Denmark, and a PhD in biophysics from the University of Bath.

### Dr. David Weiner

Dr. Weiner has over 25 years of experience in the discovery and clinical development of novel therapeutics for neurological, psychiatric and rare diseases. He began his career at ACADIA Pharmaceuticals, where he held a series of discovery research and clinical development roles working on multiple central nervous system (CNS) therapeutics, most notably pimavanserin, a 5-HT<sub>2A</sub> receptor inverse agonist, which is approved for the treatment of Parkinson's disease psychosis. Mr. Weiner is currently the CMO for Chemomab Therapeutics. Dr. Weiner also served as the Chief Medical Officer (CMO) and Interim Chief Executive Officer (CEO) for Proteostasis Therapeutics, CMO at aTyr Pharma and Lumos Pharma, CEO at Amathus Therapeutics, and as an independent board member and senior executive at Eleusis, a company focused on therapeutic development of psychedelics and novel 5-HT<sub>2A</sub> receptor agonists. He has authored more than 30 scientific publications and patents and serves on multiple clinical and scientific advisory boards, including the Michael J. Fox Foundation for Parkinsons Research. He received his M.D. from the School of Medicine and Biomedical Sciences, SUNY at Buffalo, was a Howard Hughes Medical Institute Research Scholar at the NIH, trained in neurology at New York Hospital, Memorial Sloan Kettering, Cornell Medical Center, and did a post-doctoral fellowship in neuropharmacology at the University of Vermont.

**Management recommends the election of each of the nominees listed above as a director of the Company.**

### **Cease Trade Orders or Bankruptcies:**

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

- (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, 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 (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, 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.

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

No proposed director has, within ten (10) years before the date of this 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.

### **Penalties and Sanctions**

No proposed director 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 Shareholder in deciding whether to vote for a proposed director.

### **APPOINTMENT OF AUDITOR**

DeVisser Gray LLP, Chartered Professional Accountants, of 401 – 905 West Pender Street, Vancouver, British Columbia V6C 1L6, will be nominated at the Meeting for appointment as auditor of the Company to hold office until the next annual general meeting of Shareholders, at a remuneration to be fixed by the directors. DeVisser Gray LLP was first appointed as the Company's auditor on October 19, 2020.

At the Meeting, Shareholders shall be called upon to appoint DeVisser Gray LLP, Chartered Accountants, as auditors of the Company, to hold office until the next Annual General Meeting of Shareholders, and to authorize the directors to fix their remuneration.

**The Board unanimously recommends that the Shareholders vote for the appointment of DeVisser Gray LLP, Chartered Professional Accountants, as auditors of the Company, to hold office until the next Annual General Meeting of Shareholders, and to authorize the directors to fix their remuneration.**

### **AUDIT COMMITTEE DISCLOSURE**

The provisions of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) requires the Company to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

#### **The Audit Committee’s Charter**

The audit committee of the Company (the “**Audit Committee**”) has a charter, a copy of which is attached as Schedule “A” hereto.

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

The following persons are members of the Audit Committee:

|                      |             |                      |
|----------------------|-------------|----------------------|
| Nils Bottler (Chair) | Independent | Financially Literate |
| Jeremy Fryzuk        | Independent | Financially Literate |
| David Weiner         | Independent | Financially Literate |

An Audit Committee member is independent if the member has no direct or indirect material relationship with the Company that could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment.

An Audit Committee member is financially literate if they have 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.

#### **Relevant Education and Experience**

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

- (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 individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

See *Biographies of Director Nominees* above, in particular the biographies of each Audit Committee member, for more information concerning each Audit Committee member’s education and experience.

### **Audit Committee Oversight**

The Audit Committee has not made any recommendations to the Board to nominate or compensate any auditor other than DeVisser Gray LLP, Chartered Professional Accountants.

### **Pre-Approval Policies and Procedures**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

### **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audit services provided by DeVisser Gray LLP, Chartered Professional Accountants, to the Company to ensure auditor independence. Payments to DeVisser Gray LLP, Chartered Professional Accountants, for audit and non-audit services in the years ended September 30, 2024, and September 30, 2023, are outlined in the following table.

| <b>Year Ended December 31</b> | <b>Audit Fees<sup>(1)</sup></b> | <b>Audit Related Fees<sup>(2)</sup></b> | <b>Tax Fees<sup>(3)</sup></b> | <b>All Other Fees<sup>(4)</sup></b> |
|-------------------------------|---------------------------------|---|-------------------------------|-------------------------------------|
| 2024                          | \$60,500                        | Nil                                     | \$2,500                       | \$63,000                            |
| 2023                          | \$64,000                        | Nil                                     | \$2,300                       | \$66,300                            |

Notes:

- (1) “**Audit Fees**” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the consolidated 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.

## **CORPORATE GOVERNANCE**

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

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

## Board of Directors

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

A majority of the members of the Board are independent. The independent members of the Board are Nils Bottler, Jeremy Fryzuk and David Weiner. Ian McDonald and Jan Pedersen are not independent as they are officers of the Company. The Board does not currently have a chairperson.

In order to ensure independent members of the Board engage in in open and candid discussion and are provided with leadership the independent members of the Board (a) have frequent discussions excluding members of management and non-independent directors, and (b) are permitted to retain independent consultants where they deem necessary.

The following table sets forth the record of attendance of Board and Audit Committee meetings by directors for the year ended September 30, 2024:

| Director      | Board of Directors Meetings | Audit Committee |
|---------------|-----------------------------|-----------------|
| Ian McDonald  | 7                           | N/A             |
| Nils Bottler  | 7                           | 2               |
| Jeremy Fryzuk | 7                           | 2               |
| Jan Pedersen  | 7                           | N/A             |
| David Weiner  | 7                           | 2               |

The Company does not currently have term limits imposed on its directors and has not implemented any other mechanism for board renewal. The Company became a reporting issuer in 2021, and as such does not believe it is appropriate to impose term limits on its Board members at this time.

## Directorships

The following directors are currently serving on the the board of directors of other reporting issuers.

| Name of Director | Name of Reporting Issuer | Exchange |
|------------------|--------------------------|----------|
| Ian McDonald     | GK Resources Ltd.        | TSXV     |
|                  | Alpha Copper Corp.       | CSE      |

## Board Mandate

The Board is responsible for the conduct of the Company’s affairs generally. The Board is responsible for reviewing and approving the Company’s operating plans and budgets as presented by management. The Board is responsible for identifying the principal risks of the Company’s business and for ensuring these risks are effectively monitored and mitigated to the extent practicable. The Board is responsible for ensuring effective communication by the Company with its Shareholders and the public and for ensuring that the Company adheres to all regulatory requirements with respect to the timeliness and content of its disclosure. In keeping with its overall responsibility for the stewardship of the financial affairs of the Company, the Audit Committee is responsible for the integrity of the Company’s internal control and management information systems.



The Board is responsible for approving annual operating plans recommended by management. Board consideration and approval is also required for all material contracts and business transactions and all debt and equity financing proposals.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements.

The Board believes the Company is well served and the independence of the Board from management is not compromised. The Board does not have and does not consider it necessary under the circumstances to have, any formal structures or procedures in place to ensure that the Board can function independently of management. The Board believes that its current composition is sufficient to ensure that the Board can function independently of management.

### **Position Descriptions**

The Chief Executive Officer and the Board have not, to date, developed a formal, documented position description for the Chief Executive Officer. The Board is currently of the view that the respective corporate governance roles of the Board and management are clear and that the limits to management's responsibility and authority are reasonably well-defined.

### **Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

- (a) copies of the Company's corporate governance policies;
- (b) access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
- (c) access to management and technical experts and consultants; and
- (d) information regarding a summary of significant corporate and securities responsibilities.

Board members are 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 operations. Board members have full access to the Company's records.

### **Ethical Business Conduct**

The Board has adopted a Code of Business Conduct and Ethics (the "**Code of Ethics**") that applies to all of the Company's employees and officers, including our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. The Board is responsible for monitoring compliance with the Code of Ethics. A copy of the Code of Ethics will be provided to any Shareholder without charge upon request.

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 directors' 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. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

### ***Diversity and Gender Equality***

The Board has not adopted a written policy relating to the identification and nomination of female Directors or a formal diversity policy. The Board, through its direction to management, continues to promote diversity in the workplace. The Company respects and values differences in gender, age, ethnic origin, religion, education, sexual orientation, political belief or disability. The Company recognizes the benefits arising from Board, management and employee diversity, including broadening the Company's skill sets and experience, accessing different outlooks and perspectives and benefiting from all available talent. Directors are recruited and promoted based upon their qualifications, abilities and contributions.

The Board is committed to fostering a diverse workplace environment where: (a) individual differences and opinions are heard and respected; (b) employment opportunities are based on the qualifications required for a particular position at a particular time, including training, experience, performance, skill and merit; and (c) inappropriate attitudes, behaviors, actions and stereotypes are not tolerated and will be addressed. The Board monitors the Company's adherence to these principles.

### **Other Board Committees**

The Board committees are the Audit Committee, the N&GC Committee, the Compensation Committee and the Corporate Disclosure Committee. There are no other committees.

### ***Nominating and Corporate Governance Committee***

On June 13, 2021, the Board of Directors adopted a new Nominating and Corporate Governance Committee Charter that complies with the requirements of Nasdaq Listing Rule 5605(e)(2), and has established a nominating and corporate governance committee (the "**N&CG Committee**") which operates under its Nominating and Corporate Governance Committee Charter. The N&CG Committee is currently composed of entirely independent directors: Nils Bottler (Chair), Jeremy Fryzuk and David Weiner. The N&CG Committee is responsible for (a) identifying and recommending to the Board, individuals qualified to be nominated for election to the Board; (b) recommending to the Board, the members and chairperson for each Board committee; and (c) periodically reviewing and assessing the Company's corporate governance principles contained in the Nominating and Corporate Governance Committee Charter and making recommendations for changes thereto to the Board.

The N&CG Committee is responsible for, among other things:

- leading the Company's search for individuals qualified to become members of the Board;
- evaluating and recommending to the Board for nomination candidates for election or re-election as directors;
- establishing and overseeing appropriate director orientation and continuing education programs;
- making recommendations to the Board regarding an appropriate organization and structure for the Board;
- evaluating the size, composition, membership qualifications, scope of authority, responsibilities, reporting obligations and charters of each committee of the Board;

- periodically reviewing and assessing the adequacy of the Company’s corporate governance principles as contained in the Nominating and Corporate Governance Committee Charter and, should it deem it appropriate, it may develop and recommend to the Board for adoption of additional corporate governance principles;
- periodically reviewing the Company’s Articles in light of existing corporate governance trends, and shall recommend any proposed changes for adoption by the Board or submission by the Board to Shareholders;
- making recommendations on the structure and logistics of Board meetings and may recommend matters for consideration by the Board;
- considering, adopting and overseeing all processes for evaluating the performance of the Board, each committee and individual directors; and
- annually reviewing and assessing its own performance.

### ***Compensation Committee***

On June 13, 2021, the Board adopted a Compensation Committee Charter and established a Compensation Committee (the “**Compensation Committee**”). The Compensation Committee is comprised of Nils Bottler (Chair), Jeremy Fryzuk and David Weiner. See “*Compensation Discussion and Analysis*” below.

### ***Corporate Disclosure Committee***

The Company’s Corporate Disclosure Committee consists of Nils Bottler (Chair), Jeremy Fryzuk and David Weiner. The Corporate Disclosure Committee oversees the effectiveness of risk management policies, procedures and practices implemented by management of the Company with respect to the Company’s disclosure controls and procedures.

### **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 each of its committees. The Audit Committee, Compensation Committee, and N&CG Committee are each responsible for reviewing and assessing the adequacy of their respective charters and their annual performance. The CEO is responsible for monitoring the effectiveness and compliance with the Corporate Disclosure Committee charter and recommending any material changes to the Corporate Disclosure Committee charter.

### **Insider Trading Policies**

The Company has adopted its Security Trading and Reporting Guidelines which sets forth guidelines that apply to directors, officers and employees of the Company and its subsidiaries. There are also specific guidelines that apply to directors and officers, as follows:

- Directors and officers should obtain pre-clearance for all trading activities from the Company’s CFO. This pre-clearance is intended to provide an additional review of current business initiatives to ensure that trading does not occur while material non-public information exists.
- Directors and officers must report all trading in securities to the Company’s CFO within 24 hours of the transaction taking place. Trading includes purchase and sale of securities, exercise of options, and transfer of securities.

- The Company’s CFO has been given power of attorney for the filing of all insider trading reports with the appropriate securities regulators within prescribed filing timelines on behalf of the directors and officers.

Additionally, on December 20, 2024, the Board adopted its Insider Trading, Reporting and Blackout Policy. The new Insider Trading, Reporting and Blackout Policy combines and updates certain of the Company’s existing insider trading and related reporting and blackout provisions previously provided for in certain of the Company’s existing corporate governance materials and including, without limitation, the Company’s existing Securities Trading and Reporting Guidelines. The Insider Trading, Reporting and Blackout Policy governs the purchase, sale and/or other dispositions of securities by directors, officers and employees of the Company and its subsidiary companies that are designed to promote compliance with insider trading laws and rules and regulations as part of the Company’s commitment to ethical and lawful business conduct. Each director, officer and employee of the Company is expected to review and to comply with the terms of the Insider Trading, Reporting and Blackout Policy

### **Cybersecurity**

The Company recognizes the importance of effective information security management and strives to maintain the confidentiality, integrity and availability of information within the information technology (“IT”) network and infrastructure (the “Cyberspace”). The Board is committed to ensuring that risks to the confidentiality, integrity or availability of Company-owned information assets are managed appropriately by implementing an information security risk management approach. On December 20, 2024, the Board adopted its Cybersecurity Policy.

The Board recognizes the importance of information security and mitigating cybersecurity and other data security threats and risks as part of its efforts to protect and maintain the confidentiality and security of the Company’s employees, service providers, consultants and business associates, as well as non-public information about the Company. Although our full Board has ultimate responsibility with respect to risk management oversight, the Audit Committee is charged with and bears primary responsibility for, among other matters, overseeing risks specific to the identification and mitigation of cybersecurity risks.

### **Nasdaq Corporate Governance**

The Company is a foreign private issuer and the Company’s Common Shares are listed on Nasdaq. Nasdaq Listing Rule 5615(a)(3) permits a foreign private issuer to follow its home country practices in lieu of most of the requirements of the 5600 Series of the Nasdaq Listing Rules. In order to claim such an exemption, the Company must disclose the significant differences between its corporate governance practices and those required to be followed by U.S. domestic issuers under Nasdaq’s corporate governance requirements. Set forth below is a brief summary of such differences.

### ***Shareholder Approval Requirements***

Nasdaq Listing Rule 5635 requires shareholder approval for issuances of common shares, or any securities convertible or exercisable into common shares:

- (a) in connection with the acquisition of the stock or assets of another company
  - (i) where, due to the present or potential issuance of common shares (including shares issued pursuant to an earn-out or similar type of provision, or securities convertible into or exercisable for common shares) other than a public offering for cash:

- (A) the common shares constitute or will upon issuance constitute at least 20% of the voting power outstanding before the issuance of the common shares (or, if applicable before the issuance of the securities convertible into or exercisable for common shares); or
- (B) the common shares constitute or will upon issuance constitute at least 20% of the number of common shares outstanding before the issuance; or
- (ii) if any director, officer or Substantial Shareholder (as defined by Rule 5635(e)(3) of the Nasdaq Listing Rules) of the listed company has a 5% or greater interest (or such persons collectively have a 10% or greater interest), directly or indirectly, in the target company or assets to be acquired, or in the consideration to be paid in the transaction or series of related transactions, and the present or potential issuance of common shares, or securities convertible into or exercisable for common shares, could result in an increase of 5% or more in the outstanding common shares or voting power of the listed company; and
- (b) where the issuance or potential issuance will result in a change of control of the listed company.

The Company intends to follow the British Columbia corporate and securities laws, which do not require shareholder approval for dilutive events unless the Company were to dispose of all or substantially all of its undertaking. In addition, the Company intends to follow the CSE policies which require shareholder approval on the occurrence of a “fundamental change”, defined by the policies of the CSE to be an asset purchase (whether for cash or securities), take-over (either a formal or exempt bid), amalgamation, arrangement or other form of merger, the result of which is that for the next 12-month period at least 50% of the issuer’s:

- (a) assets or resources are expected to be comprised of,
- (b) anticipated revenues are expected to be derived from, or
- (c) expenditures and management time and effort will be devoted to the assets, properties businesses or other interests that are the subject of such transaction, in combination with a change of control. The determination of a change of control in such context would include the distribution of 100% of the number of equity securities of the issuer outstanding prior to the transaction, a distribution resulting in new shareholders holding greater than 50% of the voting securities of the issuer, or otherwise may be determined through a change in voting control of the issuer or a substantial change of the management or the board of directors of the issuer.

Further, the policies of the CSE require securityholder approval of an acquisition if:

- (a) the total number of securities issuable (on a fully-diluted basis):
  - (i) is more than 50% of the total number of securities or votes of the issuer outstanding (on a non-diluted basis) accompanied by a new control person, or 100% of the total number of securities outstanding; or
  - (ii) would, as determined by the issuer or the CSE, materially affect control of the issuer.

Nasdaq Listing Rule 5635(c) also requires shareholder approval prior to the issuance of securities when a stock option or purchase plan is established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants, except for:

- (a) warrants or rights issued generally to all security holders of the listed company or stock purchase plans available on equal terms to all security holders of the listed company (such as a typical dividend reinvestment plan);
- (b) tax qualified, non-discriminatory employee benefit plans (e.g., plans that meet the requirements of Section 401(a) or 423 of the Internal Revenue Code) or parallel nonqualified plans, provided such plans are approved by the listed company's independent compensation committee or a majority of the listed company's independent directors; or plans that merely provide a convenient way to purchase shares on the open market or from the listed company at market value;
- (c) plans or arrangements relating to an acquisition or merger as permitted under IM-5635-1; or
- (d) issuances to a person not previously an employee or director of the listed company, or following a bona fide period of non-employment, as an inducement material to the individual's entering into employment with the listed company, provided such issuances are approved by either the listed company's independent compensation committee or a majority of the listed company's independent directors. Promptly following an issuance of any employment inducement grant in reliance on this exception, a listed company must disclose in a press release the material terms of the grant, including the recipient(s) of the grant and the number of shares involved.

The Company intends to follow British Columbia corporate and securities laws, which do not require shareholder approval of equity compensation plans or most discount to market offerings of securities unless otherwise indicated in the Articles of the Company. In addition, the Company intends to follow the CSE policies which provide that an issuer must obtain securityholder approval for rolling/evergreen security based compensation plans (a) with three years after the institution of such plan, and (b) within every three years thereafter. The Company also intends to follow CSE policies and certain provisions of Canadian securities laws which require limitations on the number of equity compensation securities that can be distributed, as follows:

- (a) options granted to persons performing investor relations services cannot exceed 2% of the outstanding number of listed securities in any 12-month period; and
- (b) the issuance of equity compensation securities cannot result in the issuance of greater than 5% of the issued and outstanding shares (at the time of adoption) to an individual, or 10% in total in the following 12 months, without first obtaining shareholder approval.

Nasdaq Listing Rule 5635(d) also requires shareholder approval where there is a transaction other than a public offering (as defined in Nasdaq IM-5635-3), involving the sale, issuance or potential issuance by the listed company of common stock (or securities convertible into or exercisable for common stock), which alone or together with sales by officers, directors or Substantial Shareholders of the listed company, equals 20% or more of the common stock or 20% or more of the voting power outstanding before the issuance (a “**20% Issuance**”) at a price less than the lower of (the “**Minimum Price**”):

- (a) the Nasdaq Official Closing Price (as reflected on Nasdaq.com) immediately preceding the signing of the binding agreement; or
- (b) the average Nasdaq Official Closing Price of the common stock (as reflected on Nasdaq.com) for the five trading days immediately preceding the signing of the binding agreement.

The Company intends to follow British Columbia corporate and securities laws, which do not require shareholder approval of 20% Issuances at a price that is less than the Minimum Price. In addition, the Company intends to follow the CSE policies which permit private placements of an issuer's securities to be issued at a price per security lower than the greater of:

- (a) \$0.05; and
- (b) the closing market price of the security on the CSE on the trading day prior to the earlier of the dissemination of a news release disclosing the private placement or the posting of notice of the proposed private placement, less a discount which shall not exceed the maximum permitted discount, as follows (the "**Maximum Permitted Discount**"):
  - (i) 25% for securities with a closing price of up to CAD\$0.50;
  - (ii) 20% for securities with a closing price between CAD\$0.51 to CAD\$2.00; and
  - (iii) 15% for securities with a closing price above CAD\$2.00.

However, the policies of the CSE require securityholder approval of a proposed securities offering (by way of prospectus or by private placement) if:

- (a) the number of securities issued in the offering (on a fully-diluted basis) is more than 50% of the total number of securities or votes of the issuer outstanding (on a non-diluted basis) accompanied by a new control person, or 100% of the total number of securities outstanding;
- (b) the price is lower than the market price less the Maximum Permitted Discount; or
- (c) the issuer or the CSE otherwise determine that the transaction will materially affect control of the issuer.

### ***Quorum Requirement***

Nasdaq Listing Rule 5620(c) requires that each company that is not a limited partnership shall provide for a quorum as specified in its by-laws for any meeting of holders of common stock; provided, however, that in no case shall such quorum be less than 33 1/3% of the outstanding shares of the listed company's common voting stock. The Company will not follow this Nasdaq Listing Rule. Instead, the Company intends to comply with British Columbia corporate and securities laws and its Articles which do not require a quorum of no less than 33 1/3% of the outstanding shares of the Company's common voting stock and provides that the quorum for the transaction of business at a meeting of shareholders is the quorum established by the Company's Articles, which is at least one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

### ***Executive Sessions***

Under Nasdaq Listing Rule 5605(b)(2), a listed company must have regularly scheduled meetings at which only independent directors are present (“**executive sessions**”). The rule contemplates that executive sessions will occur at least twice a year, and perhaps more frequently, in conjunction with regularly scheduled board meetings. Under applicable Canadian rules, customs and practice, the Company's independent directors are not required to hold executive sessions. However, since the Company's common shares are listed for trading on Nasdaq, the Company is subject to certain disclosure requirements prescribed in Canadian Form 58-101F1 - *Corporate Governance Disclosure*. In particular, the Company must disclose whether the independent directors hold executive sessions and, if such executive sessions are held, how many of these meetings have been held since the beginning of the Company's most recently completed financial year. If the Company does not hold executive sessions, the Company must describe what the Board does to facilitate open and candid discussion among its independent directors.

### ***Proxy Delivery Requirements***

Under Nasdaq Listing Rule 5620(b), a listed company that is not a limited partnership must solicit proxies and provide proxy statements for all meetings of shareholders, and also provide copies of such proxy solicitation materials to Nasdaq. The Company is a “foreign private issuer” as defined in Rule 3b-4 under the Exchange Act, and the equity securities of the Company are accordingly exempt from the proxy rules set forth in Sections 14(a), 14(b), 14(c) and 14(f) of the Exchange Act. The Company solicits proxies in accordance with applicable rules and regulations in Canada.

### ***Distribution of Annual and Interim Reports***

Under Nasdaq Listing Rule 5250(d)(1), a listed company shall make available to shareholders an annual report containing audited financial statements of the listed company and its subsidiaries (which, for example may be on Form 10-K, 20-F, 40-F or N-CSR) within a reasonable period of time following the filing of the annual report with the SEC. A listed company may comply with this requirement either:

- (a) by mailing the report to the shareholders;
- (b) by satisfying the requirements for furnishing an annual report contained in Rule 14a-16 under the Exchange Act; or
- (c) by posting the annual report to shareholders on or through the listed company's website, along with a prominent undertaking in the English language to provide shareholders, upon request, a hard copy of the listed company's annual report free of charge. A listed company that chooses to satisfy this requirement pursuant to this paragraph (c) must, simultaneous with this posting, issue a press release stating that its annual report has been filed with the SEC (or other regulatory authority). This press release shall also state that the annual report is available on the listed company's website and include the website address and that shareholders may receive a hard copy free of charge upon request. A listed company must provide such hard copies within a reasonable period of time following the request.

In addition, under Nasdaq Listing Rule 5250(d)(4)(A), each listed company that is not a limited partnership and is not subject to Rule 13a-13 under the Exchange Act and that is required to file with the SEC, or other regulatory authority, interim reports relating primarily to operations and financial position, shall make available to shareholders reports which reflect the information contained in those interim reports. Such reports shall be made available to shareholders either before or as soon as practicable following filing with



the appropriate regulatory authority. If the form of the interim report provided to shareholders differs from that filed with the regulatory authority, the listed company shall file one copy of the report to shareholders with Nasdaq in addition to the report to the regulatory authority that is filed with Nasdaq pursuant to Rule 5250(c)(1).

The Company intends to comply with Nasdaq Listing Rules 5250(d)(1) and 5250(d)(4)(A), however, the Company may not do so or on a consistent basis. Instead, the Company may determine to comply with British Columbia corporate and securities laws which do not require the distribution of annual or interim reports to shareholders but do require the Company to place before the annual general meeting the annual financial statements that the Company is required to file with the applicable securities commissions in Canada under the *Securities Act* (British Columbia) in relation to the most recently completed financial year, file annual and interim financial statements on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), and send annually a request form to the registered holders and beneficial owners of its securities that can be used to request a paper copy of the Company's annual financial statements and management discussion and analysis for the annual financial statements, and a copy of the Company's interim financial reports and management discussion and analysis for the interim financial reports free of charge.

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Definitions*

In this section "Named Executive Officer" (or "NEO") means each of the following individuals:

- (a) the Chief Executive Officer ("CEO");
- (b) the Chief Financial Officer ("CFO");
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (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, at September 30, 2024.

"**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons.

#### *Compensation Committee*

The Compensation Committee is comprised of Nils Bottler (Chair), Jeremy Fryzuk and David Weiner. The Compensation Committee assists the Board in fulfilling its oversight responsibilities relating to officer and director compensation, succession planning for senior management, development and retention of senior management and such other duties as directed by the Board.

The Compensation Committee did not formally meet during the year. The Compensation Committee assists the Board in carrying out its responsibilities relating to executive and director compensation. The members of the Compensation Committee possess the skills and experience that enable the committee to make

decisions on the suitability of the Company's compensation policies and practices. Mr. Bottler has experience with companies operating as emerging entities in the health care field. Mr. Fryzuk has capital markets experience, sitting on the board of Balta Group NV. Dr. Weiner industry expertise in management role through his work as Chief Medical Officer (CMO) and Interim Chief Executive Officer (CEO) for Proteostasis Therapeutics, CMO at aTyr Pharma and Lumos Pharma, CEO at Amathus Therapeutics, and as an independent board member and senior executive at Eleusis, a company focused on therapeutic development of psychedelics and novel 5-HT<sub>2A</sub> receptor agonists. See disclosure under "*Biographies of Director Nominees*" for relevant education and experience of each member of the Compensation Committee.

As a result of their education and experience, each member of the Compensation Committee has familiarity with, an understanding of, or experience in:

- (a) reviewing compensation philosophy including base compensation structures & incentive programs;
- (b) reviewing specific executive and director compensation;
- (c) administering of stock options and other equity based compensation plans and the determination of stock option grants; and
- (d) reviewing performance goals and the assessments of corporate officers.

Each of the Compensation Committee members satisfies the "independence" requirements of Nasdaq Listings Rule 5605(a)(2). The Compensation Committee is responsible for, among other things:

- reviewing and approving the Company's compensation guidelines and structure;
- reviewing and approving on an annual basis the corporate goals and objectives with respect to the CEO of the Company;
- reviewing and approving on an annual basis the evaluation process and compensation structure for the Company's other officers, including salary, bonus, incentive and equity compensation;
- reviewing the Company's incentive compensation and other equity-based plans and recommending changes in such plans to the Board as needed;
- periodically making recommendations to the Board regarding the compensation of non-management directors, including Board and committee retainers, meeting fees, equity-based compensation and such other forms of compensation and benefits as it may consider appropriate; and
- overseeing the appointment and removal of executive officers, and reviewing and approving for executive officers, including the CEO, any employment, severance or change in control agreements.

The responsibilities relating to executive and director compensation, including reviewing and recommending compensation of the Company's officers and employees and overseeing the Company's base compensation structure and equity-based compensation program is performed by the Board and the Compensation Committee. The Board and Compensation Committee also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The Compensation Committee generally reviews the compensation of senior management on an annual

basis taking into account compensation paid by other issuers of similar size and activity and the performance of officers generally and in light of the Company's goals and objectives.

The Company is a small biotechnology company with limited resources. The compensation 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, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Company's shareholders. In the Board's view, paying 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 comparable companies is compiled from a variety of sources, including national and international publications. Further, the Board believes that to attract and retain qualified and effective executives the Company must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates.

The Compensation Committee determines the compensation for the CEO and for the Company's other officers. In each case, the Compensation Committee takes into consideration the executive's performance in light of established goals and objectives, prior experience of the executive, industry standards, competitive salary information on comparable companies of similar size and stage of development, the degree of responsibility and participation of the executive in the day-to-day affairs of the Company, and the Company's available cash resources.

In the Board's view, to attract and retain qualified and effective executives, the Company must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates.

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company did not retain a compensation consultant during the financial year ended September 30, 2024.

#### *Philosophy and Objectives*

The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- attracting and retaining qualified executives;
- motivating the short and long-term performance of these executives; and
- better aligning their interests with those of the Company's Shareholders.

The Company's compensation program is designed to recognize and reward executive performance consistent with the success of the Company's business. The Company's compensation program consists of three elements: (1) base salaries and consulting fees; (2) bonus incentive compensation; and (3) equity participation.

The Company has an Anti-Hedging and Pledging Policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors.

#### Base Salary or Consulting Fees

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Base salary ranges for the executive officers were initially determined upon a review of companies within the biotechnology industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- the particular responsibilities related to the position;
- salaries paid by other companies in the biotechnology industry which were similar in size as the Company;
- the experience level of the executive officer;
- the amount of time and commitment which the executive officer devotes to the Company; and
- the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

#### Executive Compensation

Except for the grant of Options and RSUs to the NEOs and any compensation payable pursuant to an executive compensation agreement between the CEO or CFO and the Company, there are no arrangements under which NEOs were compensated by the Company during the most recently completed financial year for their services in their capacity as NEOs, directors or consultants.

#### Director Compensation

The directors receive no cash compensation for acting in their capacity as directors of the Company.

Except for the grant to directors of Options and RSUs, there are no arrangements under which directors were compensated by the Company during the two most recently completed financial years for their services in their capacity as directors.

#### Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Compensation Committee considers executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Compensation Committee approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

#### Equity Participation

The Company believes that encouraging its executives and consultants to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through

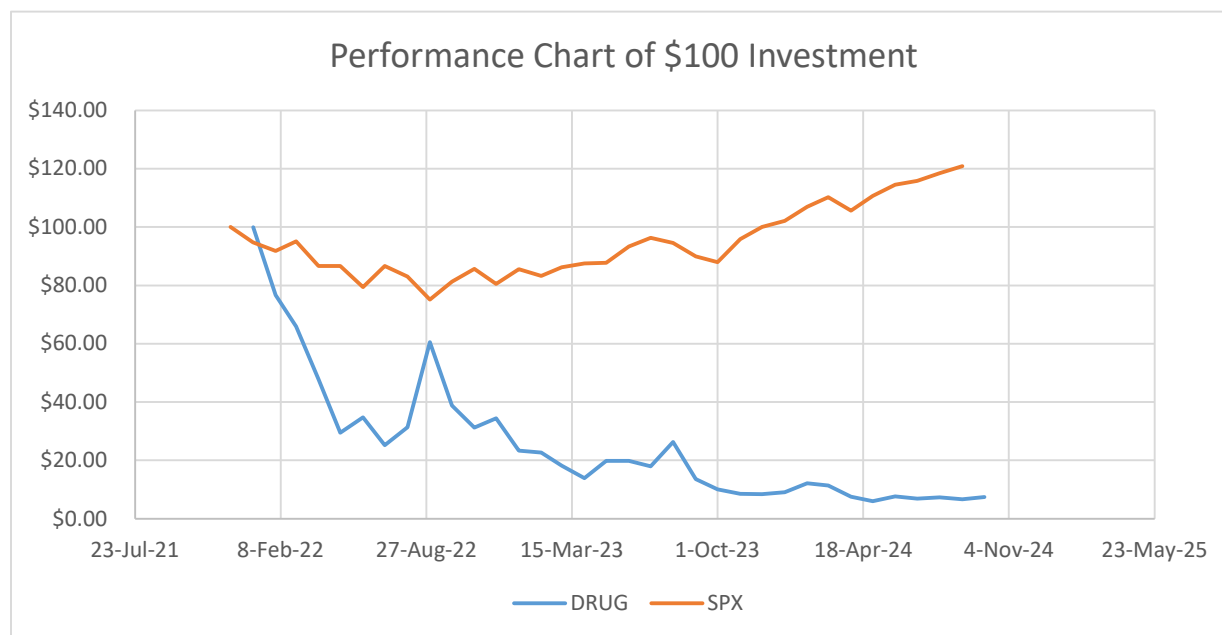
the Company’s existing Option Plan and RSU Plan. Options and RSUs are granted to executives and employees taking into account a number of factors, including the amount and term of Options and RSUs previously granted, base salary and bonuses and competitive factors. The amounts and terms of Options and RSUs granted are determined by the Compensation and Corporate Governance Committee based on recommendations put forward by the CEO. Prior to the establishment of the Compensation and Corporate Governance Committee, grants of Options and RSUs were considered and approved by the Board.

Clawback Policy

On December 1, 2023, the Board adopted a Policy for the Recovery of Erroneously Awarded Incentive-Based Compensation (the “**Clawback Policy**”) providing for the recovery of certain incentive-based compensation from current and former executive officers of the Company in the event the Company is required to restate any of its financial statements filed with the U.S. Securities and Exchange Commission (the “**SEC**”) under the Exchange Act in order to correct an error that is material to the previously-issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period. Adoption of the Clawback Policy was mandated by new Nasdaq listing standards introduced pursuant to Exchange Act Rule 10D-1. The Clawback Policy is in addition to Section 304 of the Sarbanes-Oxley Act of 2002 which permits the SEC to order the disgorgement of bonuses and incentive-based compensation earned by a registrant issuer’s chief executive officer and chief financial officer in the year following the filing of any financial statement that the issuer is required to restate because of misconduct, and the reimbursement of those funds to the issuer.

Performance Graph

The following graph compares the cumulative shareholder return on an investment of \$100 in the Common Shares of the Company since May 31, 2019, to September 30, 2024, with a cumulative total shareholder return to the S&P 500 Index Fund over the same period.



## Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or its subsidiaries, to each NEO set out below, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO for services provided and for services to be provided, directly or indirectly, to the Company for the periods indicated.

| Named Executive Officer and Principal Position                                  | Year | Salary (C\$) | Share based awards (C\$) <sup>(1)</sup> | Option based awards (C\$) <sup>(2)</sup> | Non-Equity Incentive Plan Compensation (C\$) |                                | Pension Value (C\$) | All Other Compensation (C\$) | Total Compensation (C\$) |
|---|------|--------------|---|--|--|--------------------------------|---------------------|------------------------------|--------------------------|
|   |      |              |   |  | Annual Incentive Plan (C\$)                  | Long-term Incentive Plan (C\$) |                     |                              |                          |
| <b>Ian McDonald</b> <sup>(3)(4)</sup><br><i>President and CEO</i>               | 2024 | Nil          | 213,239                                 | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 213,329                  |
|   | 2023 | Nil          | 626,178                                 | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 626,178                  |
|   | 2022 | Nil          | Nil                                     | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | Nil                      |
| <b>Ryan Cheung</b> <sup>(5)</sup><br><i>CFO</i>                                 | 2024 | 120,000      | Nil                                     | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 120,000                  |
|   | 2023 | 120,000      | Nil                                     | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 120,000                  |
|   | 2022 | 144,000      | Nil                                     | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 144,000                  |
| <b>Jan Pedersen</b> <sup>(6)(7)</sup><br><i>Chief Scientific Officer</i>        | 2024 | 243,300      | 205,283                                 | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 448,583                  |
|   | 2023 | 243,550      | 556,174                                 | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 799,724                  |
|   | 2022 | 174,215      | 46,529                                  | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 220,744                  |
| <b>Mark A. Smith</b> <sup>(8)</sup><br><i>Former Chief Medical Officer</i>      | 2024 | 279,119      | Nil                                     | 128,805                                  | Nil  | Nil                            | Nil                 | Nil                          | 407,924                  |
|   | 2023 | 272,946      | Nil                                     | 177,975                                  | Nil  | Nil                            | Nil                 | Nil                          | 450,921                  |
|   | 2021 | N/A          | N/A                                     | N/A                                      | N/A  | N/A                            | N/A                 | N/A                          | N/A                      |
| <b>Alan Kozikowski</b> <sup>(9)</sup><br><i>Former Chief Scientific Officer</i> | 2024 | N/A          | N/A                                     | N/A                                      | N/A  | N/A                            | N/A                 | N/A                          | N/A                      |
|   | 2023 | N/A          | N/A                                     | N/A                                      | N/A  | N/A                            | N/A                 | N/A                          | N/A                      |
|   | 2022 | 188,850      | Nil                                     | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 188,850                  |
| <b>Revati Shreeniwas</b> <sup>(10)</sup><br><i>Former Chief Medical Officer</i> | 2024 | N/A          | N/A                                     | N/A                                      | N/A  | N/A                            | N/A                 | N/A                          | N/A                      |
|   | 2023 | 58,900       | Nil                                     | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 58,900                   |
|   | 2022 | 383,850      | 123,052                                 | Nil                                      | Nil  | Nil                            | Nil                 | Nil                          | 506,902                  |

Notes:

- (1) Share based awards represent the fair value of RSUs granted in the year. The fair value of RSUs granted is calculated on the grant date closing value.

- (2) Option-based awards represent the fair value of Options granted in the year under our Option Plan. The fair value of Options granted is calculated as of the grant date using the Black-Scholes option pricing model. For discussion of the assumptions made in the valuation, refer to Note 5 to our financial statements for our fiscal year ended September 30, 2024.
- (3) Mr. McDonald was appointed President of the Company on May 31, 2019 and as CEO on June 5, 2020.
- (4) All share-based awards were granted as compensation to Mr. McDonald in his capacity as a director of the Company.
- (5) Mr. Cheung was appointed CFO of the Company on May 29, 2020.
- (6) Dr. Pedersen was engaged as Interim Chief Scientific Officer of the Company on June 26, 2022 and became Chief Science Officer on a permanent basis as of September 22, 2022.
- (7) All share-based awards were granted as compensation to Mr. Pedersen in his capacity as a director of the Company.
- (8) Dr. Smith was Chief Medical Officer from December 1, 2022 to January 7, 2025.
- (9) Dr. Kozikowski was the Chief Science Officer of the Company from October 29, 2020 to June 26, 2022.
- (10) Dr. Shreeniwas was engaged as Chief Medical Officer of the Company from June 5, 2020 to November 22, 2022

### Executive Compensation Agreements

On December 1, 2022, the Company entered into an independent contractor agreement (the “**Smith ICA**”) whereby the contractor, Dr. Smith, was engaged as the Company’s Chief Medical Officer. For the provision of services, Dr. Smith will be compensated US\$205,000 annually, payable in monthly installments, and Dr. Smith also received a US\$35,000 signing bonus. The services will continue for an initial term of one year unless sooner terminated. At the end of the initial term, the Smith ICA will automatically be extended for additional one-year period(s) unless the Company provides Dr. Smith with 30 days written notice. The Smith ICA can be terminated (a) by the Company at any time during the term of the Smith ICA, without notice or pay in lieu of notice, for cause, (b) by the Company at any time during the term of the Smith ICA without cause, and without further obligation, by providing Dr. Smith with one (1) month’s written notice, or in the Company’s sole discretion compensation for one (1) month’s fees (US\$17,083) in lieu of notice, (c) by Dr. Smith on three (3) months’ written notice to the Company, for any reason, (d) by either the Company or Dr. Smith immediately on notice to the other (or its receiver or trustee in bankruptcy) if the other party is adjudged bankrupt, or if it makes a general assignment for the benefit of creditors or if a receiver is appointed on account of its insolvency, or (e) by mutual written agreement between the Company and Dr. Smith. Dr. Smith’s retired from his role as Chief Medical Officer effective January 7, 2025 and therefore the Smith ICA is no longer in effect.

Other than as set out above, the Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO or a director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement a change in control of the Company or a change in an NEOs or directors’ responsibilities).

### **Incentive Awards Plans**

#### ***10% “rolling” Stock Option Plan (Option-Based Awards)***

The Company has in place a 10% rolling stock option plan dated effective July 1, 2020, as amended on February 13, 2025 (the “**Option Plan**”) which was last approved by Shareholders at the Company’s annual general meeting held on March 24, 2023. The Option Plan was filed on SEDAR+ on November 19, 2020 and will be available for inspection at the Meeting.

The principal purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through Options, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

The Option Plan provides that the number of Common Shares issuable under the Option Plan, together with all of the Company’s other previously established or proposed share compensation arrangements, may not

exceed 10% of the total number of the Company's issued and outstanding Common Shares. The maximum aggregate number of Shares that may be issued under this Plan pursuant to the exercise of Incentive Stock Options shall not exceed 704,398 Shares (subject to adjustment as provided in Section 11.3 of the Option Plan).

The Option Plan is administered by the board of directors of the Company or by a special committee of the directors appointed from time to time by the board of directors of the Company. The maximum term may not exceed ten (10) years from the date of grant.

The following information is intended to be a brief description of the Option Plan and is qualified in its entirety by the full text of the Option Plan. All capitalized words used but not defined have the meanings ascribed to such term in the Option Plan:

- (a) the maximum number of stock options ("**Options**") which may be granted to any one holder under the Option Plan within any 12-month period shall be 5% of the number of issued and outstanding Common Shares (unless the Company has obtained disinterested shareholder approval if required by applicable laws);
- (b) if required by applicable laws, disinterested shareholder approval is required to grant to related persons, within a 12-month period, of a number of Options which, when added to the number of outstanding Options granted to related persons within the previous 12 months, exceed 10% of the issued Common Shares;
- (c) the expiry date of an Option shall be no later than the tenth anniversary of the grant date of such Option;
- (d) the maximum number of Options which may be granted to any one consultant within any 12-month period must not exceed 2% of the number of issued and outstanding Common Shares;
- (e) the maximum number of Options which may be granted within any 12-month period to employees or consultants engaged in investor relations activities must not exceed 2% of the number of issued and outstanding Common Shares and such Options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period;
- (f) the exercise price of any Option issued under the Stock Option Plan shall not be less than the Market Value (as defined in the Option Plan) of the Common Shares as of the grant date; and
- (g) the Board, or any committee to whom the Board delegates, may determine the vesting schedule for any Option.

The foregoing summary of the Option Plan is not complete and is qualified in its entirety by reference to the Option Plan, which is attached to this Circular as Schedule "B". The Option Plan will also be available for inspection at the Meeting.

### ***10% "rolling" Restricted Share Unit Plan (Share-Based Awards)***

The Company has in place a restricted share unit plan dated effective July 1, 2020, as amended on February 13, 2025 (the "**RSU Plan**") which was last approved by Shareholders at the Company's annual general meeting held on March 24, 2023. A copy of the RSU Plan was filed on SEDAR+ on November 19, 2020 and will be available for inspection at the Meeting.

The RSU Plan was designed to provide certain directors, officers, consultants and other key employees (an "**Eligible Person**") of the Company and its related entities with the opportunity to acquire restricted share units ("**RSUs**") of the Company. The acquisition of RSUs allows an Eligible Person to participate in the long-term success of the Company thus promoting the alignment of an Eligible Persons.

The following is a summary of the RSU Plan. Capitalized terms used but not defined have the meanings ascribed to them in the RSU Plan.



### *Nature and Administration of the RSU Plan*

All Directors, Officers, Consultants and Employees (as defined in the RSU Plan) of the Company and its related entities (“**Eligible Persons**”) are eligible to participate in the RSU Plan (as “**Participants**”), and the Company reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation as Participants in the RSU Plan. Eligibility to participate as a Participant in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board or its appointed committee, can, from time to time, award RSUs to Eligible Persons. RSUs will be credited to an account (an “**Account**”) maintained for each Participant on the books of the Company as of the award date. The number of RSUs to be credited to each Participant’s account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

RSUs and all other rights, benefits or interests in the RSU Plan are not transferable or assignable otherwise than by will or the laws of descent and distribution and shall be exercisable during the lifetime of the Participant only by the Participant and after death only by the Participant’s legal representative.

### *Credit for Dividends*

A Participant’s Account will be credited with additional RSUs (the “**Dividend RSUs**”) as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of Dividend RSUs credited to a Participant’s Account in connection with the payment of dividends on Common Shares will be based on the actual amount of cash dividends that would have been paid to such Participant had he or she been holding such number of Common Shares equal to the number of RSUs credited to the Participant’s Account on the date on which cash dividends are paid on the Common Shares and the market price of the Common Shares on the payment date. Note that the Company is not obligated to pay dividends on Common Shares.

### *Resignation, Termination, Leave of Absence or Death*

Generally, if a Participant’s employment or service is terminated, or if the Participant resigns from employment with the Company, then all RSUs held by the Participant (whether vested or unvested) shall terminate automatically upon the termination of the Participant’s service or employment.

In the event a Participant is terminated by reason of (i) termination by the Company other than for cause or (ii) the Participant’s death, the Participant’s unvested RSUs shall vest automatically as of such date. In the event the termination of the Participant’s services is by reason of voluntary resignation, only the Participant’s unvested RSUs shall terminate automatically as of such date.

### *Change of Control*

In the event of a Change of Control, the Board may, in its discretion, without the necessity or requirement for the agreement or consent of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any RSU; (ii) permit the conditional settlement of any RSU, on such terms as it sees fit; (iii) otherwise amend or modify the terms of the RSU, including for greater certainty permitting Participants to settle any RSU, to assist the Participants to tender the underlying Common Shares to, or participate in, the actual or potential Change of Control Event (as defined in the RSU Plan) or to obtain the advantage of holding the underlying Common Shares during such Change of Control Event; and (iv) terminate, following the successful completion of such Change of Control Event, on such terms as it sees fit, the RSUs not settled prior to the successful completion of such Change of Control Event, including, without limitation, for no payment or other compensation. The determination of the Board in respect of any such Change of Control Event shall for the purposes of this RSU Plan be final, conclusive and binding.

### *Adjustments*

In the event there is a change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate

change, the Board shall make, subject to the prior approval of the CSE where necessary, appropriate substitution or adjustment in (i) the number or kind of Common Shares or other securities reserved for issuance pursuant to the RSU Plan, and (ii) the number and kind of Common Shares or other securities subject to unsettled and outstanding RSUs granted pursuant to the RSU Plan.

### *Vesting*

Each award of RSUs vests on the date(s) specified by the Board on the award date, and is reflected in the applicable RSU agreement certificate.

### *Limitations under the RSU Plan*

The maximum number of Common Shares made available for issuance pursuant to the RSU Plan shall be determined from time to time by the Board, but in any case, shall not exceed 10% of the Common Shares issued and outstanding from time to time, subject to adjustments as provided in the RSU Plan.

The foregoing summary of the RSU Plan is not complete and is qualified in its entirety by reference to the Option Plan, which is attached to this Circular as Schedule “C”. The RSU Plan will also be available for inspection at the Meeting.

### **Outstanding Option-based Awards**

The following table sets out option-based awards as at September 30, 2024, for any NEO:

| Name  | Option-based Awards <sup>(1)</sup>                      |                            |                                     | Value of unexercised in-the-money Options <sup>(2)</sup> (\$) |
|---|---|----------------------------|-------------------------------------|---|
|   | Number of securities underlying unexercised Options (#) | Option exercise price (\$) | Option expiration date<br>m – d – y |   |
| <b>Mark A. Smith</b><br><i>Former Chief Medical Officer</i> | 45,000  | \$8.25                     | 12-01-2027 <sup>(2)</sup>           | Nil   |

Notes:

- (1) The value is the difference between the closing price of \$1.47 per common share on the Canadian Securities Exchange at September 30, 2024 and the exercise price of the Options.
- (2) Options were granted on December 1, 2022.

### **Outstanding Share-Based Awards**

The following table sets out share-based awards outstanding as at September 30, 2024, for any NEO:

| Name   | Share-based Awards <sup>(1)</sup>                            |  |  |
|--|--|--|--|
|  | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| <b>Ian McDonald</b><br><i>President and CEO</i>        | 60,000   | 105,000  | 105,000  |
| <b>Jan Pedersen</b><br><i>Chief Scientific Officer</i> | 85,000   | 148,750  | 148,750  |

### **Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets out the value vested or earned under the Option Plan awards and the RSU Plan awards during the financial year ended September 30, 2024, for each NEO:

| Name   | Option-based awards – Value vested during the year (\$) | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|--|---|--|--|
| <b>Ian McDonald</b><br><i>President and CEO</i>        | Nil   | Nil  | Nil  |
| <b>Ryan Cheung</b><br><i>CFO</i>                       | Nil   | Nil  | Nil  |
| <b>Jan Pedersen</b><br><i>Chief Scientific Officer</i> | Nil   | Nil  | Nil  |

### Director Compensation for Fiscal 2024

The following table sets forth all compensation for services as a director to the Company during the fiscal years ended September 30, 2024, September 30, 2023 and September 30, 2022 in respect of the directors set out below, which excludes directors who are also NEOs of the Company:

| Name                              | Year | Salary (\$) | Share-based Awards <sup>(1)</sup> (\$) | Option-based Awards <sup>(2)</sup> (\$) | All Other Compensation (\$) | Total Compensation (\$) |
|-----------------------------------|------|-------------|--|---|-----------------------------|-------------------------|
| Nils Christian Bottler            | 2024 | Nil         | Nil                                    | 17,891                                  | Nil                         | 17,891                  |
|                                   | 2023 | Nil         | Nil                                    | 7,685                                   | Nil                         | 7,685                   |
|                                   | 2022 | Nil         | Nil                                    | 23,900                                  | Nil                         | 23,900                  |
| Jeremy Fryzuk                     | 2024 | Nil         | Nil                                    | 17,891                                  | Nil                         | 17,891                  |
|                                   | 2023 | Nil         | Nil                                    | 7,685                                   | Nil                         | 7,685                   |
|                                   | 2022 | Nil         | Nil                                    | 23,900                                  | Nil                         | 23,900                  |
| Alan Kozikowski <sup>(3)</sup>    | 2024 | N/A         | N/A                                    | N/A                                     | N/A                         | N/A                     |
|                                   | 2023 | N/A         | N/A                                    | N/A                                     | N/A                         | N/A                     |
|                                   | 2022 | 188,850     | Nil                                    | Nil                                     | Nil                         | 188,850                 |
| Emer Leahy <sup>(4)</sup>         | 2024 | N/A         | N/A                                    | N/A                                     | N/A                         | N/A                     |
|                                   | 2023 | N/A         | N/A                                    | N/A                                     | N/A                         | N/A                     |
|                                   | 2022 | Nil         | Nil                                    | (58,132)                                | Nil                         | (58,132)                |
| Douglas Williamson <sup>(5)</sup> | 2024 | Nil         | Nil                                    | Nil                                     | Nil                         | Nil                     |
|                                   | 2023 | Nil         | (63,241)                               | Nil                                     | Nil                         | (63,241)                |
|                                   | 2022 | Nil         | 63,241                                 | Nil                                     | Nil                         | 63,241                  |
| David Weiner <sup>(6)</sup>       | 2024 | Nil         | Nil                                    | 39,488                                  | Nil                         | 39,488                  |
|                                   | 2023 | Nil         | Nil                                    | 22,039                                  | Nil                         | 22,039                  |
|                                   | 2022 | Nil         | Nil                                    | Nil                                     | Nil                         | Nil                     |

Notes:

- (1) Share based awards represent the fair value of RSUs granted in the year. The fair value of RSUs granted is calculated on the grant date closing value.
- (2) Option-based awards represent the fair value of stock options granted in the year under our Stock Option Plan. The fair value of Options granted is calculated as of the grant date using the Black-Scholes option pricing model. For discussion of the assumptions made in the valuation, refer to Note 6 to our financial statements for our fiscal year ended September 30, 2024.
- (3) Dr. Kozikowski was a director of the Company from September 29, 2020 to September 6, 2022.
- (4) Dr. Leahy was a director of the Company from June 10, 2021 to April 25, 2022.
- (5) Dr. Williamson was a director of the Company from September 6, 2022 to January 9, 2023.
- (6) Dr. Weiner was appointed a director on February 16, 2023.

We reimburse out-of-pocket costs that are incurred by the directors.

### ***Outstanding Option-based Awards***

The following table sets out the option-based awards outstanding as at September 30, 2024, for each director, excluding a director who is already set out in disclosure for an NEO of the Company:

| Name          | Option-based Awards <sup>(1)</sup>                      |                            |                                  | Value of unexercised in-the-money Options <sup>(2)</sup> (\$) |
|---------------|---|----------------------------|----------------------------------|---|
|               | Number of securities underlying unexercised Options (#) | Option exercise price (\$) | Option expiration date m – d – y |   |
| Jeremy Fryzuk | 16,000  | \$6.25                     | 11-17-2025 <sup>(3)</sup>        | \$Nil   |
|               | 20,000  | \$1.84                     | 02-22-2029 <sup>(5)</sup>        | \$Nil   |
| Nils Bottler  | 16,000  | \$6.25                     | 11-17-2025 <sup>(3)</sup>        | \$Nil   |
|               | 20,000  | \$1.84                     | 02-22-2029 <sup>(5)</sup>        | \$Nil   |
| David Weiner  | 16,000  | \$5.25                     | 02-16-2028 <sup>(4)</sup>        | \$Nil   |

Notes:

- (1) All figures stated on a post-Consolidation basis.
- (2) The value is the difference between the closing price of \$2.15 per Common Share on the CSE at September 30, 2023 and the exercise price of the Options.
- (3) Options were granted during the year ended September 30, 2021.
- (4) Options were granted during the year ended September 30, 2023.
- (5) Options were granted during the year ended September 30, 2024.

### ***Outstanding Share-Based Awards***

There are no share-based awards outstanding as at September 30, 2024 for any of the directors of the Company, excluding a director who is already set out in the disclosure for an NEO of the Company.

### ***Incentive Plan Awards – Value Vested or Earned During the Year***

The following table sets out the value vested or earned under the Option Plan awards and the RSU Plan awards during the financial year ended September 30, 2024, for each director, excluding a director who is already set out in disclosure for an NEO for the Company:

| Name          | Option-based awards – Value vested during the year (\$) | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|---------------|---|--|--|
| Ian McDonald  | Nil   | 213,329  | Nil  |
| Jeremy Fryzuk | 17,891  | Nil  | Nil  |
| Nils Bottler  | 17,891  | Nil  | Nil  |
| David Weiner  | 39,488  | Nil  | Nil  |

### **Pension Disclosure**

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

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### Equity Compensation Plan Information

The Company has two equity compensation plans: (a) the Option Plan; and (b) the RSU Plan, each as described herein.

The following table sets forth details of the Company's equity compensation plan information as at the financial year ended September 30, 2024:

| <b>Plan</b>  | <b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b><br><b>(a)</b> | <b>Weighted-average exercise price of outstanding options, warrants and rights</b><br><b>(b)</b> | <b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b><br><b>(c)</b> |
|--|--|--|--|
| <b>Equity compensation plans approved by securityholders</b>     | 340,400 (Options)<br>192,000 (RSUs)  | \$7.76<br>(Options/RSUs)   | 112,008 (Options)<br>260,408 (RSUs)  |
| <b>Equity compensation plans not approved by securityholders</b> | N/A  | N/A  | N/A  |
| <b>Total:</b>  | <b>340,400 (Options)</b><br><b>192,000 (RSUs)</b>  |  | <b>112,008 (Options)</b><br><b>260,408 (RSUs)</b>  |

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers or employees of the Company or any of its subsidiaries, no proposed nominee for election as a director of the Company, and no associate or affiliate of the foregoing persons is or has been indebted to the Company or any of its subsidiaries at any time since the beginning of the Company's most recently completed financial year nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares), nominee for election as a director of the Company, or any associate or affiliate of any informed person or proposed director had any interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, other than as disclosed in Item 7 - Related Party Transactions in the Company's annual financial statements for the financial year ended September 30, 2024.

### MANAGEMENT CONTRACTS

Other than as set out herein, there are no management functions of the Company, which are, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

## PARTICULARS OF MATTERS TO BE ACTED UPON

- A. Election of Directors – see “*Election of Directors*” above.
- B. Appointment of Auditor – see “*Appointment of Auditor*” above.
- C. Approval of Stock Option Plan – see “*Approval of Stock Option Plan*” below.
- D. Approval of Restricted Share Unit Plan – see “*Approval of Restricted Share Unit Plan*” below.

### Approval of Stock Option Plan

On February 13, 2025, the Board approved amendments to the Option Plan which are intended to permit US employees to be granted incentive stock options (“**ISOs**”), which are eligible for favorable US tax treatment for the holder. To qualify as ISOs under the US Internal Revenue Code, the options must be issued under a plan that adheres to certain requirements, including that the plan must:

- Designate a maximum aggregate number of shares that may be issued pursuant to the exercise of ISOs;
- Be subject to shareholder approval within 12 months of being adopted by the Board; and
- Require shareholder approval for any amendments that change the number of shares issuable pursuant to ISOs or change the class of employees eligible for ISOs.

The proposed amendments implement those requirements.

At the Meeting, shareholders will be asked to pass an ordinary resolution to ratify, confirm and approve the Option Plan, as amended, with or without variation, for a three-year period ending March 28, 2028, as follows:

**RESOLVED** as an ordinary resolution, that:

1. the Company’s Stock Option Plan dated for reference July 1, 2020, as amended on February 13, 2025 (the “**Option Plan**”) be ratified, confirmed and approved for a three-year period ending March 28, 2028;
2. the number of Common Shares reserved for issuance under the Option Plan shall not exceed 10% of the Company’s issued and outstanding share capital at the time any stock option is granted; and
3. any one or more of the directors or officers of the Company be authorized to perform all such acts, deeds and things and execute all such documents and make all such filings with the CSE that may be required to give effect to this resolution.”

An ordinary resolution requires a majority of the votes cast at the Meeting of the Company’s shareholders, in person or represented by proxy.

The Board unanimously recommends shareholders vote FOR the above resolution approving the Option Plan.

**Proxies received in favour of management will be voted in favour of the Option Plan Resolution unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.**

A copy of the Option Plan is attached to this Circular as Schedule “B” and will also be available for inspection at the Meeting.

## **Approval of Restricted Share Unit Plan**

On February 13, 2025, the Board approved amendments to the RSU Plan to prevent adverse US tax consequences to US recipients of restricted share units (“**RSUs**”). Under US tax law, there are special rules that apply to deferred compensation. The RSUs would be exempt from these rules if they qualify for a “short-term deferral” exception, which requires the RSUs to be settled within 2½ months after the end of the later of the employee or employer’s year including the vesting date. The proposed amendments prevent RSUs issued to US recipients from being settled outside that period.

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm and approve the Restricted Share Unit Plan, as amended, for a three-year period ending March 28, 2028, as follows:

“**RESOLVED** as an ordinary resolution, that:

1. the Company’s Restricted Share Unit Plan dated for reference July 2, 2020, as amended on February 13, 2025, (the “**RSU Plan**”) be ratified, confirmed and approved for a three-year period ending March 28, 2028; and
2. any one or more of the directors or officers of the Company is authorized and directed 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 that may be necessary or desirable to give effect to the resolution.”

An ordinary resolution requires a majority of the votes cast at the Meeting of the Company’s shareholders, in person or represented by proxy.

The Board unanimously recommends shareholders vote FOR the above resolution approving the RSU Plan.

**Proxies received in favour of management will be voted in favour of the RSU Plan Resolution unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.**

A copy of the RSU Plan is attached as Schedule “C” to this Circular and will also be available for inspection at the Meeting.

## **ADDITIONAL INFORMATION**

Financial information is provided in the Company’s audited financial statements for the year ended September 30, 2024, the report of the auditor thereon, and related management’s discussion and analysis (the “**Financial Statements**”). The Financial Statements will be placed before the Meeting.

Additional information relating the Company and a copy of the Financial Statements may be obtained under the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) or upon request from the Company at 19 Vestry Street New York, NY 10013. The Company may require payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

## **OTHER MATTERS**

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

The contents of this Circular and its distribution to Shareholders have been approved by the Board.  
**DATED** at Vancouver, British Columbia, as of this 10<sup>th</sup> day of February, 2025.

**BY ORDER OF THE BOARD**

*“Ian McDonald”*

**Ian McDonald**  
**President and Chief Executive Officer**



## SCHEDULE "A"

### BRIGHT MINDS BIOSCIENCES INC. CHARTER OF THE AUDIT COMMITTEE

#### PURPOSE AND PRIMARY RESPONSIBILITY

This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "**Board**") of Bright Minds Biosciences Inc. (the "**Company**"), annual evaluation and compliance with this charter.

1. The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

#### MEMBERSHIP

2. At least a majority of the Audit Committee must be comprised of independent directors of the Company as defined in sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees ("**NI 52-110**"), provided that should the Company become listed on a more senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange.
3. The Audit Committee will consist of at least two members, all of whom shall be financially literate, provided that an Audit Committee member who is not financially literate may be appointed to the Audit Committee if such member becomes financially literate within a reasonable period of time following his or her appointment. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, the Audit Committee will consist of at least three members, all of whom shall meet the experience and financial literacy requirements of such exchange and of NI 52-110.
4. The members of the Audit Committee will be appointed annually (and from time to time thereafter to fill vacancies on the Audit Committee) by the Board. An Audit Committee member may be removed or replaced at any time at the discretion of the Board and will cease to be a member of the Audit Committee on ceasing to be an independent director.
5. The Chair of the Audit Committee will be appointed by the Board.

#### AUTHORITY

6. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
  - (a) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;
  - (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

- (c) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

## **DUTIES AND RESPONSIBILITIES**

- 7. The duties and responsibilities of the Audit Committee include:
  - (a) recommending to the Board the external auditor to be nominated by the Board;
  - (b) recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;
  - (c) reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);
  - (d) overseeing the work of the external auditor;
  - (e) ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to the Company;
  - (f) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;
  - (g) ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;
  - (h) reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("MD&A"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;
  - (i) reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
  - (j) reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;

- (k) reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;
- (l) reviewing the external auditor's report to the shareholders on the Company's annual financial statements;
- (m) reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;
- (n) satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;
- (o) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;
- (p) reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
- (q) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;
- (r) satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;
- (s) resolving disputes between management and the external auditor regarding financial reporting;
- (t) establishing procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- (u) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
- (v) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;
- (w) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;

- (x) establishing procedures for:
  - (iii) reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;
  - (iv) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("CFO") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;
  - (v) obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("CEO") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;
  - (vi) reviewing fraud prevention policies and programs, and monitoring their implementation;
  - (vii) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
    - (1) Tax and financial reporting laws and regulations;
    - (2) Legal withholding requirements;
    - (3) Environmental protection laws and regulations; and
    - (4) Other laws and regulations which expose directors to liability;
- 8. A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.
- 9. On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

## MEETINGS

- 10. The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee.
- 11. The Chair of the Audit Committee shall be responsible for leadership of the Audit Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. The Chair of the Audit Committee will also maintain regular liaison with the CEO, CFO, and the lead external audit partner.
- 12. The Audit Committee will meet in camera separately with each of the CEO and the CFO of the Company at least annually to review the financial affairs of the Company.
- 13. The Audit Committee will meet with the external auditor of the Company in camera at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

14. The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.
15. Each of the Chair of the Audit Committee, members of the Audit Committee, Chair of the Board, external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders.

#### **REPORTS**

16. The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.
17. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

#### **MINUTES**

18. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

#### **ANNUAL PERFORMANCE EVALUATION**

19. The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the Charter, to determine the effectiveness of the Committee.

**SCHEDULE "B"**

**BRIGHT MINDS BIOSCIENCES INC.**

**COMMON SHARE STOCK OPTION PLAN**

Approved by the board of directors effective July 1, 2020, as amended on February 13, 2025

Approved by the shareholders on []

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## STOCK OPTION PLAN

### SECTION 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) "Administrator" means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, or, if no such person is appointed, the Committee itself.
- (b) "Associate" means, where used to indicate a relationship with any person:
  - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
  - (ii) any partner, other than a limited partner, of that person;
  - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
  - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) "Black-Out" means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (d) "Board" means the board of directors of the Company.
- (e) "Change of Control" means an occurrence when either:
  - (i) a Person or Entity, other than the current "control person" of the Company (as that term is defined in the *Securities Act*), becomes a "control person" of the Company; or
  - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (f) "Code" means the United States Internal Revenue Code of 1986, as amended, and any regulations thereunder.
- (g) "Committee" means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (h) "Company" means Bright Minds Biosciences Inc.

(i) "Consultant" means an individual who:

- (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a "distribution" (as that term is described in the *Securities Act*);
- (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in clause (i)(v) below);
- (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 any Subsidiary; and
- (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (v) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a "Consultant Entity"); or
- (vi) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.

(j) "Disability" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.

(k) "Employee" means:

- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or
- (ii) an individual who works for the Company or any Subsidiary either full-time or 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 any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,

and includes:

- (iii) a corporation wholly-owned by such individual; and
- (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.

(l) "Exchange" means the stock exchange upon which the Company's shares principally trade.

- (m) "Executive" means an individual who is a director or officer of the Company or a Subsidiary, and includes:
  - (i) a corporation wholly-owned by such individual; and
  - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (n) "Exercise Notice" means the written notice of the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder.
- (o) "Exercise Period" means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that the Option has vested pursuant to the terms and conditions of this Plan and that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (p) "Exercise Price" means the price at which an Option is exercisable as determined in accordance with section 5.3.
- (q) "Expiry Date" means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.5, 6.2, 6.3, 6.4 or 11.4.
- (r) "Expiry Time" means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (s) "Grant Date" means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (t) "Incentive Stock Option" means an Option that is labelled or described as an Incentive Stock Option and which qualifies as an Incentive Stock Option within the meaning of Section 422(b) of the Code.
- (u) "Insider" means an insider as that term is defined in the *Securities Act*.
- (v) "Market Value" means the market value of the Shares as determined in accordance with section 5.3.
- (w) "Non-Statutory Stock Option" means an Option granted to an Option Holder who is a resident of the United States which is not intended to be or does not qualify as an Incentive Stock Option.
- (x) "Option" means a share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company, and includes Incentive Stock Options and Non-Statutory Stock Options.
- (y) "Option Certificate" means the certificate, in substantially the form set out as Schedule "A" hereto, evidencing the Option.
- (z) "Option Holder" means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.

- (aa) "Outstanding Issue" means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (bb) "Person or Entity" means an individual, natural person, corporation, 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 partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (cc) "Personal Representative" means:
  - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
  - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (dd) "Plan" means this stock option plan as from time to time amended.
- (ee) "Pre-Existing Options" has the meaning ascribed thereto in section 4.1.
- (ff) "Regulatory Approvals" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (gg) "Regulatory Authorities" means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (hh) "Regulatory Rules" means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.
- (ii) "*Securities Act*" means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (jj) "Share" or "Shares" means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (kk) "Subsidiary" means a wholly-owned or controlled subsidiary corporation of the Company.
- (ll) "Ten Percent Shareholder Participant" means a Holder to whom an Incentive Stock Option is granted pursuant to the provisions of the Plan who is, on the date of the grant, the owner of stock (as determined under Section 424(d) of the Code) possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent, if any, or its subsidiary corporations (as defined in Code Section 424(e)).
- (mm) "Triggering Event" means:
  - (i) the proposed dissolution, liquidation or wind-up of the Company;

- (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
  - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
  - (iv) a proposed Change of Control of the Company;
  - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
  - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (nn) "vest" or "vested" or "Vesting" means that portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

## **1.2 Choice of Law**

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed solely in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein without giving effect to the conflicts of laws principles thereof and without reference to the laws of any other jurisdiction. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

## **1.3 Headings**

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

# **SECTION 2 GRANT OF OPTIONS**

## **2.1 Grant of Options**

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

## **2.2 Record of Option Grants**

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;

- (c) the designation of Options as Incentive Stock Options or Non Statutory Options, as applicable;
- (d) the Grant Date and Expiry Date of the Option;
- (e) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (f) the vesting and other additional terms, if any, attached to the Option; and
- (g) the particulars of each and every time the Option is exercised.

### **2.3 Effect of Plan**

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

## **SECTION 3 PURPOSE AND PARTICIPATION**

### **3.1 Purpose of Plan**

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incentivize such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

### **3.2 Participation in Plan**

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

### **3.3 Limits on Option Grants**

The following limitations shall apply to the Plan and all Options thereunder:

- (a) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12 month period shall be 5% of the Outstanding Issue (unless the Company has obtained disinterested shareholder approval if required by Regulatory Rules);
- (b) if required by Regulatory Rules, disinterested shareholder approval is required to the grant to Insiders, within a 12 month period, of a number of Options which, when added to the number of outstanding incentive stock options granted to Insiders within the previous 12 months, exceed 10% of the issued Shares;

- (c) with respect to section 5.1, the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;
- (d) the maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the Outstanding Issue; and
- (e) the maximum number of Options which may be granted within any 12 month period to Employees or Consultants engaged in investor relations activities must not exceed 2% of the Outstanding Issue and such options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period, and such limitation will not be an amendment to this Plan requiring the Option Holders consent under section 9.2 of this Plan.

### **3.4 Notification of Grant**

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

### **3.5 Copy of Plan**

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

### **3.6 Limitation on Service**

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

### **3.7 No Obligation to Exercise**

Option Holders shall be under no obligation to exercise Options granted under this Plan.

### **3.8 Agreement**

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

**3.9**            **Notice**

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

**3.10**           **Representation**

As a condition precedent to the issuance of an Option, the Company must be able to represent to the Exchange as of the Grant Date that the Option Holder is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary.

**SECTION 4**  
**NUMBER OF SHARES UNDER PLAN**

**4.1**            **Board to Approve Issuance of Shares**

The Committee shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Committee shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

**4.2**            **Number of Shares**

Subject to adjustment as provided for herein, the aggregate number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 10% of the number of Shares which are issued and outstanding on the particular Grant Date. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

The maximum aggregate number of Shares that may be issued under this Plan pursuant to the exercise of Incentive Stock Options shall not exceed 704,398 Shares (subject to adjustment as provided in Section 11.3 of the Plan).

**4.3**            **Fractional Shares**

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

**SECTION 5**  
**TERMS AND CONDITIONS OF OPTIONS**

**5.1**            **Exercise Period of Option**

Subject to sections 5.5, 6.2, 6.3, 6.4 and 11.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate



issued in respect of such Option. No Incentive Stock Option may be granted after ten (10) years from the date of this Plan. The term and expiry date of any Incentive Stock Option granted to a Ten Percent Shareholder Participant shall not exceed five (5) years from Grant Date of such Incentive Stock Option.

## **5.2 Number of Shares Under Option**

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

## **5.3 Exercise Price of Option**

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length. Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

Notwithstanding the foregoing, the Exercise Price of Shares subject to an Incentive Stock Option granted under the Plan to a Ten Percent Shareholder Participant shall be not less than 110% of the fair market value of the Shares on the Grant Date as determined in good faith by the Committee at the Grant Date.

## **5.4 Incentive Stock Options**

Incentive Stock Options may only be granted to Employees who are resident in the United States. To the extent that Options designated as Incentive Stock Options become exercisable by a Holder for the first time during any calendar year for Shares having a fair market value greater than US\$100,000, the portion of such Options which exceeds such amount shall not be treated as Incentive Stock Options but instead shall be treated as Non-Statutory Stock Options. For the purposes of this Section 5.4, Options designated as Incentive Stock Options shall be taken into account in the order in which they were granted, and the fair

market value of Shares shall be determined as of the Grant Date of the Option with respect to such Shares. If the Code is amended to provide for a different limitation than that set forth in this Section 5.4, such different limitation shall be deemed incorporated herein effective as of the date and with respect to such Options as may be required or permitted by such amendment to the Code. If an Option is treated as a Non-Statutory Option in part by reason of the limitation set forth in this Section 5.4, the Holder may designate which portion of such Option the Holder is exercising at any given time. In the absence of such designation, the Holder shall be deemed to have exercised the Incentive Stock Option portion of the Option first. The Company shall have no liability to a Holder, or any other party, if any Option (or any part thereof) intended to be an Incentive Stock Option is not an Incentive Stock Option.

## **5.5 Termination of Option**

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate or, if no such date is set out in for the Option Certificate the applicable circumstances, the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4, or 11.4 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
- (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
  - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant, other than an Option Holder who is engaged in investor relations activities, and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position, or, in the case of an Option Holder that is engaged in investor relations activities, the 30th day after the date such Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:
- (i) termination for cause;
  - (ii) resigning or terminating his or her position; or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

#### **5.6 Vesting of Option and Acceleration**

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan, subject to the limitation under subsection 3.3.

#### **5.7 Additional Terms**

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

### **SECTION 6 TRANSFERABILITY OF OPTIONS**

#### **6.1 Non-transferable**

An Incentive Stock Option shall not be assignable or transferable by any Option Holder and, subject to section 6.2 hereof, may be exercised during the life of the Option Holder only by the Option Holder. An Option other than an Incentive Stock Option are non-assignable and non-transferable, except as provided otherwise in this section 6.

#### **6.2 Death of Option Holder**

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of six months following the date of death and the applicable Expiry Date.

#### **6.3 Disability of Option Holder**

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason

of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of six months following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

#### **6.4 Disability and Death of Option Holder**

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within six months after the termination of such engagement, any vested Options at the time an Option Holder ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary which remains exercisable may be exercised in accordance with its terms by the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of six months following the death of such Option Holder and the applicable Expiry Date.

#### **6.5 Vesting**

Unless the Committee determines otherwise, Options held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

#### **6.6 Deemed Non-Interruption of Engagement**

Employment or engagement by the Company 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 Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

### **SECTION 7 EXERCISE OF OPTION**

#### **7.1 Exercise of Option**

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during Black-Out unless the Committee determines otherwise.

#### **7.2 Black Out Period**

Notwithstanding the foregoing, except in the case of Incentive Stock Options, if an Option expires, terminates or is cancelled (other than an expiry, termination or cancellation pursuant to section 5.5(a)(i)(ii) or (iii) or section 5.5(b)(i)(ii) or (iii) above) within or immediately after a Black Out, the Option Holder may elect for the term of such Option to be extended to the date which is ten (10) business days after the last day of the Black Out; provided, that, the expiration date as extended by this section 7.2 will not in any event be beyond the later of: (i) December 31 of the calendar year in which the Option was otherwise due

to expire; and (ii) the 15th day of the third month following the month in which the Option was otherwise due to expire.

### **7.3 Issue of Share Certificates**

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate (or DRS statement) for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share certificate (or DRS statement).

### **7.4 No Rights as Shareholder**

Until the date of the issuance of the certificate (or DRS statement) for the Shares purchased pursuant to the exercise of an Option, 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, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificate (or DRS statement), the decision of the Committee shall be final, conclusive and binding.

### **7.5 Tax Withholding and Procedures**

Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Option Holder who wishes to exercise an Option must, in addition to following the procedures set out in section 7.1 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;
- (c) and must in all other respects follow any related procedures and conditions imposed by the Company.

## **SECTION 8 ADMINISTRATION**

### **8.1 Board or Committee**

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section 8.2 below, or by an Administrator appointed in accordance with subsection 8.4(b).

### **8.2 Appointment of Committee**

The Board may at any time appoint a Committee, consisting of not less than two 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.

### **8.3 Quorum and Voting**

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this Section 8, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

### **8.4 Powers of Committee**

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value;
- (d) correct any defect, supply any information or reconcile 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;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
  - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
  - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
  - (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
  - (iv) determine when Options shall be granted;

- (v) determine the number of Shares subject to each Option; and
- (vi) to designate Options as Incentive Stock Options or Non Statutory Options, as applicable;
- (h) accelerate the vesting schedule of any Option previously granted, subject always to the limitation in subsection 3.3; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

#### **8.5 Administration by Committee**

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

#### **8.6 Interpretation**

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

### **SECTION 9 APPROVALS AND AMENDMENT**

#### **9.1 Shareholder Approval of Plan**

This Plan is subject to the approval, within twelve (12) months before or after the date this Plan is adopted, of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. Any Options granted under this Plan will not be exercisable or binding on the Company unless and until such shareholder approval is obtained. Any outstanding Incentive Stock Options, and any Shares purchased pursuant to an Incentive Stock Option under this Plan before shareholder approval is obtained must be rescinded if shareholder approval is not obtained within twelve (12) months before or after this Plan is adopted.

#### **9.2 Amendment of Option or Plan**

Subject to Section 9.3 and any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the

reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company, if required by the Exchange.

**9.3 Amendment of Option or Plan Requiring Shareholder Approval**

Except as provided in Section 11.3 relating to changes in the capital structure, shareholder approval shall be required within twelve (12) months before or after the date the amendment becomes effective for any amendment of the Plan that either (A) alters the number of Shares available for issuance under Options granted under this Plan, or (B) alters the class of individuals eligible to receive Options under this Plan.

**SECTION 10  
CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES**

**10.1 Compliance with Laws**

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificate (or DRS statement) representing such Shares accordingly.

**10.2 Obligation to Obtain Regulatory Approvals**

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 9.2 of this Plan.

**10.3 Inability to Obtain Regulatory Approvals**

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder, the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

**SECTION 11  
ADJUSTMENTS AND TERMINATION**

**11.1 Termination of Plan**

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan. Unless earlier terminated as provided in this section 11, the Plan shall terminate on, and no more Options shall be granted under the Plan after, the tenth anniversary of the date of the Exchange's acceptance of the Plan.



### **11.2 No Grant During Suspension of Plan**

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

### **11.3 Alteration in Capital Structure**

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this section 11.3, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company.

Any adjustment made to any Options pursuant to this section 11.3 shall not be considered an amendment requiring the Option Holder's consent for the purposes of section 9.2 of this Plan.

### **11.4 Triggering Events**

Subject to the Company complying with section 11.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 9.2 of the Plan.

**11.5            Notice of Termination by Triggering Event**

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

**11.6            Determinations to be Made By Committee**

Adjustments and determinations under this section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

## SCHEDULE A

[Include legends prescribed by Regulatory Authorities, if required.]

### BRIGHT MINDS BIOSCIENCES INC.

#### STOCK OPTION PLAN - OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the “**Plan**”) of Bright Minds Biosciences Inc. (the “**Company**”) and evidences that ♦ [Name of Option Holder] is the holder (the “**Option Holder**”) of an option (the “**Option**”) to purchase up to ♦ common shares (the “**Shares**”) in the capital stock of the Company at a purchase price of Cdn.\$ ♦ per Share (the “**Exercise Price**”). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 4:00 p.m. local time in Vancouver, British Columbia (the “**Expiry Time**”) on the following Expiry Date:

- (a) the Grant Date of this Option is ♦, 20♦; and
- (b) subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4 of the Plan, the Expiry Date of this Option is ♦, 20♦.

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, or written notice in the case of uncertificated Shares, which is incorporated by reference herein, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company or its legal counsel in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

[Include legends on the certificate or the written notice in the case of uncertificated shares prescribed by Regulatory Authorities, if required.]

If the Option Holder is a resident or citizen of the United States of America at the time of the exercise of the Option, the certificate(s) representing the Shares will be endorsed with the following or a similar legend:

“The securities represented hereby have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or the securities laws of any state of the united states. The holder hereof, by purchasing such securities, agrees for the benefit of the Company that such securities may be offered, sold or otherwise transferred only (a) to the Company; (b) outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act; (c) in accordance with the exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in compliance with any applicable state securities laws; or (d) in a transaction that does not require registration under the U.S. Securities Act and any applicable state securities laws, and, in the case of paragraph (c) or (d), the seller furnishes to the Company an opinion of counsel of recognized standing in form and substance satisfactory to the Company to such effect.

The presence of this legend may impair the ability of the holder hereof to effect “good delivery” of the securities represented hereby on a Canadian stock exchange.”

**BRIGHT MINDS BIOSCIENCES INC.**  
**by its authorized signatory:**

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The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

Signature of Option Holder:

---

Signature

---

Date signed:

---

Print Name

---

Address

---

**OPTION CERTIFICATE – SCHEDULE**

**[Complete the following additional terms and any other special terms, if applicable, or remove the inapplicable terms or this schedule entirely.]**

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:
  - (a) ◆ Shares (◆%) will vest and be exercisable on or after the Grant Date;
  - (b) ◆ additional Shares (◆%) will vest and be exercisable on or after ◆ [date];
  - (c) ◆ additional Shares (◆%) will vest and be exercisable on or after ◆ [date];
  - (d) ◆ additional Shares (◆%) will vest and be exercisable on or after ◆ [date];
  
2. Upon the Option Holder ceasing to hold a position with the Company, other than as a result of the events set out in paragraphs 5.4(a) or 5.4(b) of the Plan, the Expiry Date of the Option shall be ◆ **[Insert date desired that is longer or shorter than the standard 30 days as set out in the Plan]** following the date the Option Holder ceases to hold such position.

Type of Option  
(U.S. Employees only):

\_\_\_\_\_ Incentive Stock Option  
\_\_\_\_\_ Non-Statutory Stock Option

**SCHEDULE B**

**BRIGHT MINDS BIOSCIENCES INC.**

**STOCK OPTION PLAN**

**NOTICE OF EXERCISE OF OPTION**

TO: The Administrator, Stock Option Plan  
◆  
◆ [ Address ]  
(or such other address as the Company may advise)

The undersigned hereby irrevocably gives notice, pursuant to the Stock Option Plan (the “**Plan**”) of Bright Minds Biosciences Inc. (the “**Company**”), of the exercise of the Option to acquire and hereby subscribes for (**cross out inapplicable item**):

- (a) all of the Shares; or
- (b) of the Shares;

which are the subject of the Option Certificate attached hereto (**attach your original Option Certificate**). The undersigned tenders herewith a certified cheque or bank draft (**circle one**) payable to the Company or to ◆ in an amount equal to the aggregate Exercise Price of the aforesaid Shares and directs the Company to issue a certificate OR a written notice in the case of uncertificated Shares evidencing said Shares in the name of the undersigned to be issued to the undersigned [in the case of issuance of a share certificate, at the following address (**provide full complete address**)]:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 4:00 p.m. local time in Vancouver, BC on the Expiry Date of the Option.

DATED the day \_\_\_\_\_ of \_\_\_\_\_, 20\_\_ .

\_\_\_\_\_  
**Signature of Option Holder**

**SCHEDULE "C"**

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**BRIGHT MINDS BIOSCIENCES INC.**

**RESTRICTED SHARE UNIT PLAN**

EFFECTIVE AS OF JULY 1, 2020, AS AMENDED ON FEBRUARY 13, 2025

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# RESTRICTED SHARE UNIT PLAN

## ARTICLE 1 PURPOSE AND INTERPRETATION

### Section 1.1 Purpose

The purpose of the Plan is to promote and advance the interests of the Company by (i) providing Eligible Persons with additional incentive through an opportunity to receive discretionary bonuses in the form of Common Shares of the Company, (ii) encouraging stock ownership by such Eligible Persons, (iii) increasing the proprietary interest of Eligible Persons in the success of the Company, and (iv) increasing the ability to attract, retain and motivate Eligible Persons.

### Section 1.2 Definitions

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) “Account” means a notional account maintained for each Participant on the books of the Company which will be credited with Restricted Share Units and Dividend RSUs, in accordance with the terms of the Plan;
- (b) “Affiliate” means any person that controls or is controlled by the Company or that is controlled by the same person that controls the Company;
- (c) “Associate” has the meaning ascribed to that term under the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;
- (d) “Affiliated Companies”, “Controlled Companies” and “Subsidiary Companies” have the meanings ascribed to those terms under the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;
- (e) “Black-Out Period” means the period during which designated directors, officers, employees and consultants of the Company and, if applicable, any Subsidiary Company, cannot trade Common Shares pursuant to the Company’s insider trading policy which is in effect at that time (which, for certainty, does not include the period during which a cease trade order is in effect to which the Company, or in respect of a Reporting Insider, that Reporting Insider, is subject);
- (f) “Board” means the board of directors of the Company or such delegate as referred to by the term in Section 3.1(1);
- (g) “Business Day” means any day other than a Saturday, Sunday or a statutory or civic holiday in the City of Vancouver, British Columbia, on which the Stock Exchange is open for trading;

- (h) “Cause” means (i) if the Participant has a written agreement with the Company or Subsidiary Companies in which cause is defined, cause as defined therein; or otherwise (ii) (A) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (B) the failure of the Participant to follow the Company’s reasonable instructions with respect to the performance of his or her duties; (C) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (D) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (E) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee;
- (i) “Change of Control Event” means:
  - (i) the acquisition of a sufficient number of voting securities in the capital of the Company so that the acquiror, together with Persons or Entities acting jointly or in concert with the acquiror, becomes entitled, directly or indirectly, to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company (provided that, prior to the acquisition, the acquiror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company);
  - (ii) the completion of a consolidation, merger, arrangement or amalgamation of the Company with or into any other entity whereby the voting securityholders of the Company immediately prior to the consolidation, merger, arrangement or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting securities of the consolidated, merged, arranged or amalgamated entity;
  - (iii) the completion of a sale whereby all or substantially all of the Company’s undertakings and assets become the property of any other entity and the voting securityholders of the Company immediately prior to the sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale; or
  - (iv) an occurrence when a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (j) “Code” means the U.S. Internal Revenue Code of 1986, as amended;
- (k) “Common Shares” means the common shares in the share capital of the Company;
- (l) “Company” means Bright Minds Biosciences Inc.;

- (m) “Consultant” means a corporate entity or an individual, other than an employee, executive officer or director of the Company or of an Affiliate, that:
- (i) is engaged to provide services to the Company or an Affiliate, other than services provided in relation to a distribution of the Company’s securities;
  - (ii) provides the services under a written contract with the Company or an Affiliate; and
  - (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate;
- and includes, for an individual consultant, a Company of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner;
- (n) “Dividend RSUs” means a bookkeeping entry credited to a Participant’s Account equivalent in value to the dividend, if any, paid on a Common Share in accordance with Section 4.2 of the Plan;
- (o) “Eligible Person” means:
- (i) any director, officer, employee or Consultant of the Company or any of its Subsidiary Companies; and
  - (ii) any Personal Holding Company of any of the persons listed in Section 1.2(m)(i) above;
- who is designated by the Board as eligible to participate in the Plan;
- (p) “Expiry Date” means the expiry date set out by the Board on the date of approval of a grant and as described in the applicable RSU Grant Letter (which for greater certainty may vary between RSUs granted from time to time), following which an RSU is expired and is thereafter incapable of settlement, and is of no value whatsoever, provided however that in no event shall an Expiry Date be a date that is more than three years from the date of grant;
- (q) “Market Price” means, with respect to any particular date, the volume weighted average trading price of the Common Shares as reported on the Stock Exchange for the five (5) trading days immediately preceding that date;
- (r) “Participant” means an Eligible Person to whom RSUs have been granted and are outstanding;
- (s) “Personal Holding Company” means a personal holding Company that is either wholly owned, or controlled by, any director, executive officer, employee or Consultant of the Company or its Affiliates, and the shares of which are held

directly or indirectly by any such person or the person's spouse, minor children and/or minor grandchildren;

- (t) "Person or Entity" means an individual, 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 partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity;
- (u) "Plan" means this Restricted Share Unit plan of the Company, as amended from time to time;
- (v) "Reporting Insider" means a reporting insider as defined under National Instrument 55-104 as may be amended from time to time;
- (w) "Restricted Share Unit" or "RSU" means a bookkeeping entry equivalent in value to a Common Share credited to a Participant's Account and representing the right of a Participant to whom a grant of such restricted share units is made to receive one Common Share (or, pursuant to Section 4.3, an amount of cash equal to the Market Value thereof), pursuant and subject to the terms and conditions set forth in this Plan and in the applicable RSU Grant Letter;
- (x) "RSU Award" means the number of RSUs determined by the Board to be awarded to the Participant and credited to a Participant's Account, as evidenced by a RSU Grant Letter;
- (y) "RSU Grant Letter" has the meaning given to that term in Section 3.1(3);
- (z) "*Securities Act*" means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (aa) "Settlement Date" means the Business Day during the Settlement Period on which a Participant elects to settle an RSU in accordance with Section 4.3;
- (bb) "Settlement Notice" has the meaning set out in Section 4.3;
- (cc) "Settlement Period" means the period starting on the Vesting Date and ending on the Expiry Date;
- (dd) "Shareholder" means a holder of a Common Share in the capital of the Company;
- (ee) "Share Compensation Arrangement" means any stock option, stock option plan, employee stock purchase plan, restricted share unit, or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise including, without limitation, this Plan;

- (ff) “Stock Exchange” means the Canadian Securities Exchange or if the Common Shares are not listed on the Canadian Securities Exchange, any stock exchange on which the Common Shares are listed or traded, as determined by the Board;
- (gg) “Termination Date” means the date on which a Participant ceases to be an Eligible Person. For greater certainty, in the case of a Participant whose employment or term of office with the Company or any Subsidiary Company terminates in the circumstances set out in Section 4.4(1)(a), Section 4.4(1)(b) or Section 4.4(1)(c), the date that is designated by the Company or any Subsidiary Company, as the last day of the Participant’s employment or term of office with the Company or such Subsidiary Company, provided that in the case of termination of employment or term of office by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and “Termination Date” specifically does not include any period of reasonable notice that the Company or any Subsidiary Company may be required at law to provide to the Participant;
- (hh) “U.S. Participant” means a Participant who is a citizen of the United States or a resident of the United States, as defined in section 7701(a)(30)(A) and section 7701(b)(1) of the Code and any other Participant who is subject to tax under the Code with respect to compensatory awards granted pursuant to the Plan; and
- (ii) “Vesting Date” means the date on which an RSU is vested for the purposes of the Plan.

### **Section 1.3 Interpretation**

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

### **Section 1.4 Governing Law**

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

### **Section 1.5 Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

## **ARTICLE 2 SHARE CAPITAL**

### **Section 2.1 Shares Reserved**

- (1) Subject to Section 5.3(1), the securities that may be acquired by Participants pursuant to RSUs granted under this Plan shall consist of authorized but unissued Common Shares.

(2) The Company shall at all times during the term of this Plan ensure that the number of Common Shares it is authorized to issue shall be sufficient to satisfy the requirements of RSUs granted under this Plan.

(3) The maximum number of Common Shares made available for issuance pursuant to the Plan shall be determined from time to time by the Board, but in any case, shall not exceed 10% of the Common Shares issued and outstanding from time to time.

(4) The Plan shall be a “rolling plan” and therefore when RSUs are cancelled (whether or not upon payment with respect to vested RSUs) or terminated, the number of Common Shares in respect of such cancelled or terminated RSUs shall again be available for the purpose of granting RSU Awards pursuant to the Plan.

### **ARTICLE 3 ADMINISTRATION**

#### **Section 3.1 General**

(1) This Plan shall be administered by the Board. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. Any delegation pursuant to this Section 3.1 shall be documented in a resolution of the Board.

(2) Subject to the terms and conditions set forth herein, the Board is authorized to provide for the awarding, granting, vesting, settlement and method of settlement of RSUs, all on such terms (which may vary between RSUs granted from time to time) as it shall determine. In addition, the Board shall have the authority to:

- (a) select any directors, officers, employees or Consultants of the Company or Subsidiary Companies of the Company to participate in this Plan; provided that RSUs granted to any Participant shall be approved by the Shareholders if the rules of the Stock Exchange require such approval;
- (b) construe and interpret this Plan and all agreements entered into hereunder;
- (c) prescribe, amend and rescind rules and regulations relating to this Plan; and
- (d) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants and on their legal, personal representatives and beneficiaries.

(3) An RSU Award shall be evidenced by a restricted share unit grant letter (“RSU Grant Letter”), a form of which is attached as Schedule A to this Plan, signed on behalf of the Company, subject to amendment by the Board from time to time, and which shall specify:

- (a) the number of RSUs subject to the RSU Award to be credited to the Participant’s Account;

- (b) the date of grant of the RSU Award;
  - (c) the Vesting Date or Vesting Dates applicable to the RSUs subject to the RSU Award;
  - (d) the Settlement Period and Expiry Date applicable to an RSU subject to the RSU Award;
  - (e) the nature and duration of the restrictions, if any, to be imposed upon the sale or other disposition of Common Shares acquired upon settlement of the RSU;
  - (f) the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Common Shares acquired upon settlement of an RSU may be forfeited; and
  - (g) such other terms, conditions and limitations permitted by and not inconsistent with this Plan as the Board may determine.
- (4) No member of the Board (or person acting under delegated authority, nor the Company, will be liable for any action or determination taken or made in the administration, interpretation, construction or application of this Plan, any RSU Grant Letter or any RSU issued pursuant to this Plan, or otherwise in any way in respect of any Participant's participation in this Plan or the holding or settlement of RSUs.

### **Section 3.2 Compliance with Legislation**

- (1) The Plan, the terms of the issue or grant and the settlement of RSUs hereunder and the Company's obligation to sell and deliver Common Shares upon settlement of RSUs shall be subject to all applicable federal, provincial and foreign laws, rules and regulations, the rules and regulations of the Stock Exchange and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any RSU hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (2) No RSU shall be granted and no Common Shares issued or sold thereunder where such grant, issue or sale would require registration of the Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any RSU or issue or sale of Common Shares hereunder in violation of this provision shall be void.
- (3) The Company shall have no obligation to issue any Common Shares pursuant to the Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with the Stock Exchange. Common Shares issued and sold to Participants pursuant to the settlement of RSUs may be subject to restrictions or limitations on sale or resale under applicable securities laws.
- (4) If Common Shares cannot be issued to a Participant upon the settlement of an RSU due to legal or regulatory restrictions, the obligation of the Company to issue such Common Shares under

the Plan shall terminate, at no cost to the Company nor obligation to otherwise compensate a Participant in any way.

### **Section 3.3 Miscellaneous**

(1) Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.

(2) Nothing contained in the Plan nor in any RSU granted hereunder shall be deemed to give any Participant any interest or title in or to any Common Shares of the Company or any rights as a Shareholder or any other legal or equitable right against the Company whatsoever other than as set forth in the Plan and pursuant to the settlement of any RSU.

(3) The Plan does not give any Participant or any employee of the Company or any of its Affiliated Companies, Subsidiary Companies or Controlled Companies the right or obligation to continue to serve as a Consultant, director, officer or employee, as the case may be, of the Company or any of its Affiliated Companies, Subsidiary Companies or Controlled Companies. The awarding of RSUs to any Eligible Person is a matter to be determined solely in the discretion of the Board. The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Company or any of its Subsidiary Companies other than as specifically provided for in the Plan.

(4) The existence of any RSUs shall not affect in any way the right or power of the Company or its Shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

(5) No fractional Common Shares shall be issued upon the settlement of RSUs granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Common Share upon the settlement of an RSU, or from an adjustment pursuant to Section 5.3(1) such Participant shall only have the right to receive the next lowest whole number of Common Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

## **ARTICLE 4 RESTRICTED SHARE UNITS**

### **Section 4.1 Granting of RSUs**

(1) Where the Board determines to grant an RSU Award to an Eligible Person and sets the terms and conditions applicable to such RSU Award, the Company shall deliver to the Eligible Person a RSU Grant Letter, containing the terms and conditions applicable to such RSU Award.

(2) On the grant of an RSU Award, the Company will credit the Participant's Account with the number of RSUs granted to such Participant under the terms of the RSU Award.



(3) The grant of an RSU Award shall entitle the Participant to the conditional right to receive for each RSU credited to the Participant's Account, at the election of the Company, either one Common Share or an amount in cash, net of applicable taxes and contributions to government sponsored plans, as determined by the Board, equal to the Market Price of one Common Share for each RSU credited to the Participant's Account on the Settlement Date, subject to the conditions set out in the RSU Grant Letter and in the Plan, and subject to all other terms of this Plan.

(4) An Eligible Person may receive an RSU Award on more than one occasion under the Plan and may receive separate RSU Awards on any one occasion.

(5) RSUs granted under this Plan to an Eligible Person in a calendar year will (subject to any applicable terms and conditions) represent a right to a bonus or similar award to be received for services rendered by such Eligible Person to the Company or an Affiliate, as the case may be, in the fiscal year ending in, coincident with or before such calendar year, subject to any other determination by the Company.

#### **Section 4.2 Dividends**

(1) Unless the Board determines otherwise, additional RSUs ("Dividend RSUs") will be credited to a Participant's Account where the Company declares and pays a dividend on Common Shares. The number of Dividend RSUs credited to a Participant's Account in connection with the payment of dividends on Common Shares will be based on the actual amount of cash dividends that would have been paid to such Participant had he been holding such number of Shares equal to the number of RSUs credited to the Participant's Account on the date on which cash dividends are paid on the Shares and the Market Price of the Common Shares on the payment date.

(2) Dividend RSUs credited to a Participant's Account shall vest and be settled in the same manner and on the same date as the RSUs to which they relate.

#### **Section 4.3 Settlement of Restricted Share Units**

(1) Subject to the provisions of the Plan and in particular Section 4.4 and Section 5.2 and any vesting limitations imposed by the Board in its sole unfettered discretion at the time of grant, RSUs subject to an RSU Award may be settled by a Participant who is not a U.S. Participant during the Settlement Period applicable to the RSU by delivery to the Company of a notice (the "Settlement Notice") in a form attached to the RSU Grant Letter. Where a U.S. Participant holds an RSU, the U.S. Participant shall be deemed to deliver to the Company a Settlement Notice with respect to such RSU on the Vesting Date, such Vesting Date to be determined under the provisions of this Plan and in particular Section 4.3(4)(b), Section 4.4, and Section 5.2 and any vesting limitations imposed by the Board in its sole unfettered discretion at the time of grant. As soon as practicable following the receipt or deemed receipt of the Settlement Notice, but in no event later than 60 days from the receipt or deemed receipt of the Settlement Notice, RSUs will be settled by the Company through the delivery by the Company of such number of Common Shares equal to the number of RSUs then being settled or, at a Company's election, an amount in cash, net of applicable taxes and contributions to government sponsored plans, equal to the Market Price at the Settlement Date of one Common Share for each RSU then being settled. Where, prior to the Expiry Date, a

Participant fails to elect to settle an RSU, the Participant shall be deemed to have elected to settle such RSUs on the day immediately preceding the Expiry Date.

(2) Notwithstanding the foregoing, if the Company elects to issue Common Shares in settlement of RSUs:

- (a) the Company may arrange for such number of the Common Shares to be sold as it deems necessary or advisable to raise an amount at least equal to its determination of such applicable taxes, with such amount being withheld by the Company; or
- (b) the Company may elect to settle for cash such number of RSUs as it deems necessary or advisable to raise funds sufficient to cover such withholding taxes with such amount being withheld by the Company; or
- (c) the Company may, as a condition of settlement in the form of Common Shares, require the Participant to pay the applicable taxes as determined by the Company or make such other arrangement acceptable to the Company in its discretion (if at all) as it deems necessary or advisable.

(3) Subject to the terms of the Plan, as soon as practicable after receipt of any of the amount, undertaking or election listed in Section 4.3(2), the Company will forthwith cause the transfer agent and registrar of the Common Shares to deliver to the Participant a certificate or certificates in the name of the Participant or a statement of account, at the discretion of the Company, representing in the aggregate Common Shares issued to the Participant.

(4) Notwithstanding any other provision of the Plan:

- (a) no RSU shall be capable of settlement after the Expiry Date; provided, however, that if the Expiry Date in respect of an RSU held by a Participant who is not a U.S. Participant falls on, or within nine (9) Business Days immediately following, a date upon which such Participant is prohibited from exercising such RSU due to a Black-Out Period or other trading restriction imposed by the Company, then the Expiry Date of such RSU shall be automatically extended to the tenth (10th) Business Day following the date the relevant Black-Out Period or other trading restriction imposed by the Company is lifted, terminated or removed. The foregoing extension applies to all RSUs held by a Participant who is not a U.S. Participant regardless of the date of grant and shall not be considered an extension of the term thereof as otherwise referred to in the Plan;
- (b) if the Vesting Date of an RSU held by a U.S. Participant falls on, or within nine (9) Business Days immediately following, a date upon which such Participant is prohibited from exercising such RSU due to a Black-Out Period or other trading restriction imposed by the Company, then the Vesting Date of such RSU shall be automatically extended to the tenth (10th) Business Day following the date the relevant Black-Out Period or other trading restriction imposed by the Company is lifted, terminated or removed. The foregoing extension applies to all RSUs held by

a Participant who is a U.S. Participant regardless of the date of grant and shall not be considered an extension of the term thereof as otherwise referred to in the Plan;

- (c) the Settlement Period shall be automatically reduced in accordance with Section 4.4 upon the occurrence of any of the events referred to therein; and
- (d) no RSU in respect of which Shareholder approval is required under the rules of the Stock Exchange shall be settled until such time as such RSU has been so approved.

#### **Section 4.4 Termination of Service**

(1) Except as otherwise determined by the Board:

- (a) all RSUs held by the Participant (whether vested or unvested) shall terminate automatically upon the termination of the Participant's service with the Company or any Subsidiary Companies for any reason other than as set forth in paragraph (b) and (c) below;
- (b) in the case of a termination of the Participant's service by reason of (A) termination by the Company or any Subsidiary Companies other than for Cause, or (B) the Participant's death, the Participant's unvested RSUs shall vest automatically as of such date, and on the earlier of the original Expiry Date and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the Termination Date), the Participant (or his or her executor or administrator, or the person or persons to whom the Participant's RSUs are transferred by will or the applicable laws of descent and distribution) will be eligible to request that the Company settle his vested RSUs, provided however that a U.S. Participant (or his or her executor or administrator, or the person or persons to whom the U.S. Participant's RSUs are transferred by will or the applicable laws of descent and distribution) shall be deemed to have elected to settle any vested RSUs on the Vesting Date pursuant to Section 4.3(1) of this Plan. Where, prior to the 90th day following such termination of service (or, if earlier, the Termination Date) the Participant fails to elect to settle a vested RSU, the Participant shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the Termination Date) and to receive Common Shares in respect thereof;
- (c) in the case of a termination of the Participant's services by reason of voluntary resignation, only the Participant's unvested RSUs shall terminate automatically as of such date, and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the Termination Date), the Participant will be eligible to request that the Company settle his vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the Termination Date) the Participant fails to elect to settle a vested RSU, the Participant shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the Termination Date) and to receive Common Shares in respect thereof;

- (d) for greater certainty, where a Participant's employment or term of office terminates by reason of termination by the Company or any Subsidiary Companies for Cause then any RSUs held by the Participant, whether or not vested at the Termination Date, immediately terminate and are cancelled on the Termination Date or at a time as may be determined by the Board, in its sole discretion;
- (e) a Participant's eligibility to receive further grants of RSUs under this Plan ceases as of the earliest of the date the Participant resigns from the Company or any Subsidiary Company and the date that the Company or any Subsidiary Company provides the Participant with written notification that the Participant's employment or term of office, as the case may be, is terminated, notwithstanding that such date may be prior to the Termination Date; and
- (f) for the purposes of the Plan, a Participant shall not be deemed to have terminated service where: (i) the Participant remains in employment or office within or among the Company or any Subsidiary Company or (ii) the Participant is on a leave of absence approved by the Board.

#### **Section 4.5 Non-transferability of RSUs**

RSUs shall not be transferable or assignable by the Participant otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of a Participant only by the Participant and after death only by the Participant's legal representative.

#### **Section 4.6 Hold Period**

Pursuant to Stock Exchange Policies, where a hold period is applicable, the RSU Grant Letter will include a legend stipulating that the RSU Award is subject to a four-month hold period commencing from the date of grant of the RSU Award.

### **ARTICLE 5 TERMINATION, AMENDMENTS AND ADJUSTMENTS**

#### **Section 5.1 Amendment and Termination**

- (1) The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable law, and subject to any required regulatory approval.
- (2) No such amendment, suspension or termination shall alter or impair any RSUs or any rights pursuant thereto granted previously to any Participant without the consent of such Participant.
- (3) If the Plan is terminated, the provisions of the Plan and any administrative guidelines, and other rules and regulations adopted by the Board and in force at the time of the Plan termination shall continue in effect during such time as an RSU or any rights pursuant thereto remain outstanding.
- (4) With the consent of the affected Participant, the Board may amend or modify any outstanding RSU in any manner to the extent that the Board would have had the authority to

initially grant such award as so modified or amended, including without limitation, to change the date or dates as of which the RSU becomes exercisable, subject to the prior approval of the Stock Exchange where necessary.

### **Section 5.2 Change of Control**

(1) Notwithstanding any other provision of this Plan, in the event of an actual or potential Change of Control Event, the Board may, in its discretion, without the necessity or requirement for the agreement or consent of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any RSU; (ii) permit the conditional settlement of any RSU, on such terms as it sees fit; (iii) otherwise amend or modify the terms of the RSU, including for greater certainty permitting Participants to settle any RSU, to assist the Participants to tender the underlying Common Shares to, or participate in, the actual or potential Change of Control Event or to obtain the advantage of holding the underlying Common Shares during such Change of Control Event; and (iv) terminate, following the successful completion of such Change of Control Event, on such terms as it sees fit, the RSUs not settled prior to the successful completion of such Change of Control Event, including, without limitation, for no payment or other compensation.

The determination of the Board in respect of any such Change of Control Event shall for the purposes of this Plan be final, conclusive and binding.

### **Section 5.3 Adjustments**

(1) If there is a change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the Stock Exchange where necessary, appropriate substitution or adjustment in

- (a) the number or kind of Common Shares or other securities reserved for issuance pursuant to the Plan, and
- (b) the number and kind of Common Shares or other securities subject to unsettled and outstanding RSUs granted pursuant to the Plan;

provided, however, that no substitution or adjustment shall obligate the Company to issue fractional RSUs or Common Shares.

(2) If the Company is reorganized, amalgamated with another Company or consolidated, the Board shall make such provisions for the protection of the rights of Participants as the Board in its discretion deems appropriate.

## **ARTICLE 6 GENERAL**

### **Section 6.1 Effective Date**

The Plan shall be effective upon the approval of the Plan by the Board.

### **Section 6.2 Notice**

Any Notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid, or delivered by courier or by facsimile transmission addressed, if to the Company, to the operations office of the Company in Vancouver, British Columbia, Attention: Corporate Secretary; or if to a Participant, to such Participant at his address as it appears on the books of the Company or in the event of the address of any such Participant not so appearing, then to the last known address of such Participant; or if to any other person, to the last known address of such person.

### **Section 6.3 Tax Withholdings**

The Company shall be entitled to withhold such number of Common Shares or amount of cash payable to a Participant, either under this Plan or otherwise, or make such other arrangement as are contemplated under Section 4.3(2), as it may deem necessary or advisable so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local law relating to the withholding or remittance of tax or other relevant amounts. It is the responsibility of the Participant to complete and file any tax returns which may be required within the periods specified under applicable laws as a result of the Participant's participation in the Plan. The Company shall not be responsible for any tax consequences to a Participant as a result of the Participant's participation in the Plan.

### **Section 6.4 Rights of Participants**

No person entitled to settle any RSU granted under this Plan shall have any of the rights or privileges of a Shareholder in respect of any Common Shares issuable upon settlement of such RSU until such Common Shares have been issued to such person.

### **Section 6.5 Right to Issue Other Shares**

The Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Common Shares, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

### **Section 6.6 Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Company and a Participant, including without limitation, the legal representatives of such Participant or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

### **Section 6.7 Funding of the Plan**

The Plan shall be unfunded. No funds will be set aside to guarantee the payment of RSUs, which will remain an unfunded liability recorded on the books of the Company.

### **Section 6.8 Special Terms and Conditions Applicable to U.S. Participants**

RSUs awarded to U.S. Participants are intended to be exempt from Section 409A of the Code pursuant to Treas. Reg. Section 1.409A-1(b)(4) and the Plan and such RSUs will be construed and administered accordingly. Each installment of Common Shares issued in settlement of vested RSUs is intended to constitute a “separate payment” for purposes of Treasury Regulation Section 1.409A-2(b)(2). Any waiver or acceleration of vesting under the Plan or any Grant Letter for a U.S. Participant may occur only to the extent that such acceleration or waiver will not result in the imposition of taxes under Section 409A of the Code. Although the Company intends RSUs granted to U.S. Participants to be exempt from or compliant with Section 409A of the Code, the Company makes no representation or guaranty as to the tax treatment of such RSUs. Each U.S. Participant (and any beneficiary or the estate of the Participant, as applicable) is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Participant in connection with this Plan. Neither the Company nor any affiliate, nor any employee or director of the Company or an affiliate, shall have any obligation to indemnify or otherwise hold such U.S. Participant, beneficiary or estate harmless from any or all such taxes or penalties.

**SCHEDULE "A"**

**RESTRICTED SHARE UNIT GRANT LETTER**

TO: [Name of Participant]

Dear ●

Bright Minds Biosciences Inc. (the "**Company**") hereby confirms a grant of restricted share units ("**RSU Units**") to ● (the "**Participant**") (as defined in the Company's Restricted Share Unit Plan (the "**RSU Plan**") described in the table below pursuant to the Company's RSU Plan.

This grant is made pursuant to the terms and conditions of the Company's RSU Plan, as amended from time to time, and is incorporated herein by reference and made a part of this letter agreement. Each RSU Unit granted to the Participant named herein represents the right of the Participant to receive one Common Share in the share capital of the Company on the date(s) or pursuant to the terms specified below. Capitalized terms not otherwise defined herein shall have the same meanings as in the RSU Plan.

| No. of RSU Units | Grant Date | Expiry Date |
|------------------|------------|-------------|
|                  |            |             |
|                  |            |             |
|                  |            |             |

*[include any specific/additional vesting period or other conditions]*

**The Company and the undersigned Participant hereby confirms that the undersigned Participant is a bona fide Director, Officer, Consultant, or Employee as the case may be.**

**DATED** \_\_\_\_\_, 20\_\_\_\_.

**BRIGHT MINDS BIOSCIENCES INC.**

Per: \_\_\_\_\_  
Authorized Signatory

The undersigned hereby accepts such grant, acknowledges being a Participant under the RSU Plan, agrees to be bound by the provisions thereof and agrees that the RSU Plan will be effective as an agreement between the Company and the undersigned with respect to the RSU Units granted or otherwise issued to him/her/it.

**DATED** \_\_\_\_\_, 20\_\_\_\_.



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Participant's Signature

---

---

Name of Participant (print)

**OR**

[NAME OF COMPANY PARTICIPANT]

By:

---

Authorized Signatory

---

Name of Authorized Signatory