



ELIXXER LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

September 22, 2020

TAKE NOTICE that an Annual and Special Meeting of Shareholders (the “**Meeting**”) of **ELIXXER LTD.** (the “**Corporation**”) will be held:

Access: <https://www.issuerdirect.com/virtual-event/elixf>

Date: Tuesday, September 22, 2020

Time: 10:00 a.m. (Eastern Time)

The purposes of the Meeting are to:

1. Receive and consider the consolidated financial statements of the Corporation for the 15-month fiscal period ended December 31, 2019 and the auditors’ report thereon;
2. Elect the directors of the Corporation;
3. Appoint Baker Tilly WM LLP, Chartered Accountants, as the Corporation’s auditor and to authorize the directors to fix its remuneration;
4. Consider, and if deemed advisable, adopt a resolution in the form annexed as Schedule C to the Management Information Circular, approving the conversion of existing debt owed by the Corporation to AIP Global Macro Fund LP into common shares and common share purchase warrants, and the creation of a new “Control Person” (as such terms is defined in the policies of the TSX Venture Exchange), all as more particularly described in the Management Information Circular;
5. Consider, and if deemed advisable, adopt a resolution in the form annexed as Schedule D to the Management Information Circular, approving the conversion of existing debt owed by the Corporation to Arlington Capital LP into common shares and common share purchase warrants, and the creation of a new “Control Person” (as such terms is defined in the policies of the TSX Venture Exchange), all as more particularly described in the Management Information Circular;
6. Consider and, if deemed advisable, adopt a resolution in the form annexed as Schedule E to the Management Information Circular, approving, ratifying and confirming the cancellation of loans to three insiders of the Corporation and all amounts owed thereunder, all as more particularly described in the Management Information Circular;

7. Consider and, if deemed advisable, adopt a resolution in the form annexed as Schedule F to the Management Information Circular, approving, ratifying and confirming an amendment to the Corporation's 2016 Stock Option Plan so as to increase the number of shares that can be issued thereunder, all as more particularly described in the Management Information Circular; and
8. Transact such other business as may properly be brought before the Meeting.

To mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, and although the effects of COVID-19 may stabilize and governmental and public authorities may ease restrictions in the upcoming weeks, we will hold the Meeting remotely only in accordance with the instructions provided below. We encourage shareholders to vote in advance of the Meeting and utilize the virtual link to attend to the Meeting.

Shareholders will be able to attend the Meeting remotely, at 10:00 a.m. (Eastern Time) on September 22, 2020, by following the link below. We encourage you to vote in advance of the meeting. Please register at least 30 minutes in advance of the Meeting.

Link: <https://www.issuerdirect.com/virtual-event/elixf>

In the current context, taking into account the rapidly evolving public health crisis, the Corporation believes that the Meeting format described above provides a sound and practical approach whereby shareholders will have the ability to attend the Meeting remotely and ask questions to management, while minimizing the health and safety risks to the Corporation's directors, officers and stakeholders.

Only persons registered as shareholders on the records of the Corporation as of the close of business on August 18, 2020 (the "**Record Date**") are entitled to receive notice of, and to vote or act at, the Meeting. No person who becomes a shareholder after the Record Date will be entitled to vote or act at the Meeting or any adjournment thereof.

Please date, complete and sign the enclosed form of proxy and deliver it to Computershare Investor Services Inc. (i) by mail or hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775. A shareholder may also vote using the internet at www.investorvote.com or by telephone at 1-866-732-8683. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 10:00 a.m. (Eastern Time) on Friday, September 18, 2020 or be deposited with the Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof.

DATED the 21st day of August, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

"Mazen Haddad" (signed)

Mazen Haddad, Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES BY MANAGEMENT

This management information circular (the “Circular”) is furnished in connection with the solicitation by management of Elixer Ltd. (the “Corporation”) of proxies to be used at the Annual and Special Meeting of shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, telecopier, e-mail or in person. The total cost of solicitation of proxies will be borne by the Corporation. Pursuant to *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy-related materials to beneficial owners of the shares. See “Appointment and Revocation of Proxies – Notice to Beneficial Shareholders” below.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxy

A Registered Shareholder is requested to complete and sign the enclosed form of proxy and to deliver it to Computershare Investor Services Inc. (i) by mail or hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775. A Registered Shareholder may also vote using the internet at www.investorvote.com or by telephone at 1-866-732-8683. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 10:00 a.m. (Eastern Time) on Friday, September 18, 2020 or be deposited with the Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof.

The document appointing a proxy must be in writing and executed by the Registered Shareholder or his attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

A Registered Shareholder submitting a form of proxy has the right to appoint a person (who need not be a shareholder) to represent him or her at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. To exercise that right, the name of the Registered Shareholder’s appointee should be legibly printed in the blank space provided. In addition, the Registered Shareholder should notify the appointee of such person’s appointment, obtain such person’s consent to act as appointee and instruct the appointee on how the Registered Shareholder’s shares are to be voted.

Shareholders who are not Registered Shareholders should refer to “Notice to Beneficial Shareholders” below.

Revocation of Proxy

A Registered Shareholder who has submitted a form of proxy as directed hereunder may revoke it at any time prior to the exercise thereof. If a Registered Shareholder who has given a proxy personally attends the Meeting at which that proxy is to be voted, that Registered Shareholder may revoke the proxy and vote in person. In addition to the revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or his attorney or authorized agent and deposited with (i) Computershare Investor Services Inc. at any time up to 10:00 a.m. (Eastern Time) on Friday, September 18, 2020 by mail or by hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by facsimile to 416-263-9524 or 1-866-249-7775, (ii) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or (iii) with the Secretary of the Corporation before the commencement of the Meeting, or any adjournment thereof, and upon any such deposit, the proxy will be revoked.

Notice to Beneficial Shareholders

The information set out in this section is of importance to many shareholders, as a substantial number of shareholders are Beneficial Shareholders and do not hold shares of the Corporation in their own names. Beneficial Shareholders should note

that only proxies deposited by Registered Shareholders (shareholders whose names appear on the records of the Corporation as the registered holders of shares) can be recognized and acted upon at the Meeting or any adjournment(s) thereof. If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Corporation. Those 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 shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can be voted only upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. Subject to the following discussion in relation to NOBOs (as defined below), the Corporation does not know for whose benefit the shares of the Corporation registered in the name of CDS & Co., a broker or another nominee, are held.

There are two categories of Beneficial Shareholders for the purposes of applicable securities regulatory policy in relation to the mechanism of dissemination to Beneficial Shareholders of proxy-related materials and other securityholder materials and the request for voting instructions from such Beneficial Shareholders. Non-objecting beneficial owners (“**NOBOs**”) are Beneficial Shareholders who have advised their intermediary (such as brokers or other nominees) that they do not object to their intermediary disclosing ownership information to the Corporation, consisting of their name, address, e-mail address, securities holdings and preferred language of communication. Securities legislation restricts the use of such information to matters strictly relating to the affairs of the Corporation. Objecting beneficial owners (“**OBOs**”) are Beneficial Shareholders who have advised their intermediary that they object to their intermediary disclosing such ownership information to the Corporation.

NI 54-101 permits the Corporation, in its discretion, to obtain a list of its NOBOs from intermediaries and use such NOBO list for the purpose of distributing the Proxy-Related Materials directly to, and seeking voting instructions directly from, such NOBOs. As a result, the Corporation is entitled to deliver the Proxy-Related Materials to Beneficial Shareholders in two manners: (a) directly to NOBOs and indirectly through intermediaries to OBOs; or (b) indirectly to all Beneficial Shareholders through intermediaries. In accordance with the requirements of NI 54-101, the Corporation is sending the Proxy-Related Materials directly to NOBOs and indirectly through intermediaries to OBOs. The cost of the delivery of the Proxy-Related Materials by intermediaries to OBOs will be borne by the Corporation.

The Corporation has used a NOBO list to send the Proxy-Related Materials directly to NOBOs whose names appear on that list. If the Corporation's transfer agent, Computershare Investor Services Inc., has sent these materials directly to a NOBO at the request of the Corporation, such NOBO's name and address and information about its holdings of shares of the Corporation have been obtained from the intermediary holding such shares on the NOBO's behalf in accordance with applicable securities regulations. As a result, any NOBO of the Corporation can expect to receive a VIF from Computershare Investor Services Inc. NOBOs should complete and return the VIF to Computershare Investor Services Inc. in the envelope provided. In addition, telephone voting and internet voting are available; instructions in respect of the procedure for telephone and internet voting can be found in the VIF. Computershare Investor Services Inc. will tabulate the results of VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the voting of shares represented by such VIFs.

Applicable securities regulations requires intermediaries, on receipt of Proxy-Related Materials that seek voting instructions from Beneficial Shareholders indirectly, to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings on Form 54-101F7 (Request for Voting Instructions Made by Intermediary). Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting or any adjournment(s) thereof. Often, the form of request for voting instructions supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to Registered Shareholders; however, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Beneficial Shareholders who wish to appear in person and vote at the Meeting should be appointed as their own representatives at the Meeting in accordance with the directions of their intermediaries and Form 54-101F7. Beneficial Shareholders can also write the name of someone else whom they wish to appoint to attend the Meeting and vote on their behalf. Unless prohibited by law, the person whose name is written in the space provided in Form 54-101F7 will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in Form 54-101F7 or this Circular.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). In forwarding the Proxy-Related Materials to Beneficial Shareholders, Broadridge typically includes

a VIF in lieu of the form of proxy that some intermediaries employ. Beneficial Shareholders are requested to complete and return the VIF to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free telephone number to vote the shares held by them or access Broadridge's dedicated voting website at <https://central-online.proxyvote.com> to deliver their voting instructions. Broadridge will then provide aggregate voting instructions to the Corporation's transfer agent and registrar, which tabulates the results and provides appropriate instructions respecting the voting of shares to be represented at the Meeting or any adjournment(s) thereof.

EXERCISE OF DISCRETION BY PROXIES

Shares represented by properly-executed proxies or VIFs in favour of the persons designated in the enclosed form of proxy or voting information forms, in the absence of any direction to the contrary, will be voted for the: (i) election of directors; (ii) appointment of an auditor, (iii) approval of conversion of AIP debt and creation of a new control person; (iv) approval of conversion of Arlington debt and creation of a new control person, (v) cancellation of loans to three insiders, and (vi) amendment to the Corporation's stock option plan. The shares represented by the proxy or VIF will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for, and if a shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such shares will be voted by the persons so designated in their discretion. At the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters.

VOTING SHARES

As at the date of this Circular, there were 560,508,032 issued and outstanding common shares of the Corporation. Each common share entitles the holder thereof to one vote. The Corporation has fixed August 18, 2020 as the record date (the **"Record Date"**) for the purpose of determining shareholders entitled to receive notice of the Meeting. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to vote as of the Record Date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during usual business hours at the head office of the Corporation, Place Victoria, 800 rue du Square-Victoria, Suite 3700, Montreal, Québec H4Z 1E9 and at the Meeting. Only shareholders of record as at the close of business on the Record Date will receive notice of, and be entitled to attend and vote at, the Meeting. A shareholder of record on the Record Date will be entitled to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, even though the shareholder may subsequently dispose of his or her shares. No shareholder who has become a shareholder after the Record Date will be entitled to attend or vote at the Meeting or any adjournment(s) thereof.

PRINCIPAL SHAREHOLDERS

As at the date of this Circular, to the best knowledge of the Corporation, the following is the only person who beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the common shares of the Corporation:

Name and Place of Residence	Number of Shares Held ⁽¹⁾	Percentage of Shares Held
Arlington Capital LP, Ontario	104,000,000	18.55%
David Lenigas, Monaco	58,643,840	10.46%

(1) The information is based upon reports filed on the SEDI website (www.sedi.ca) and is not within the direct knowledge of the Corporation.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

On July 16, 2019, the Corporation announced that it was changing its year end from September 30 to December 31 resulting in a 15-month transition fiscal period ending December 31, 2019. The directors of the Corporation will present to the shareholders at the Meeting the audited consolidated financial statements of the Corporation for the 15-month fiscal period ended December 31, 2019, together with the auditors' report thereon. A copy of said financial statements accompanies this Management Information Circular. No vote by the shareholders with respect to such financial statements is required or

proposed to be taken.

ELECTION OF DIRECTORS

The Articles of Incorporation of the Corporation provide that the Corporation's Board of Directors shall consist of not more than ten directors and not less than one director to be elected annually. The Board of Directors has fixed the number of directors to be elected at the Meeting at six. Four of the six nominees are directors of the Corporation who were elected at the Corporation's last meeting of shareholders. The persons named in the enclosed form of proxy intend to vote for the election of the six nominees whose names are set out below. Each director will hold office until the next annual meeting of shareholders or until the election of his successor, unless he resigns or his office becomes vacant by removal, death or other cause.

The following table sets out the name of each of the persons proposed to be nominated for election as director, all other positions and offices with the Corporation now held by such person, his or her principal occupation, the year in which such person became a director of the Corporation, and the number of common shares of the Corporation that such person has advised are beneficially owned or over which control or direction is exercised by such person as at the date of this Circular.

Name, Municipality of Residence and Position with the Corporation	Principal Occupation	First Year as a Director	Number of Shares Beneficially Owned or over which Control is Exercised
Ferras Zalt ⁽¹⁾⁽²⁾ London, England Executive Chairman and Director	Chief Executive Officer of Chinook Urban Mining Ltd.	2019	12,767,697
Mazen Haddad ⁽³⁾ Monaco Chief Executive Officer and Director	Chief Executive Officer of the Corporation	2008	14,030,840
Mohammed Ghafari ⁽¹⁾⁽²⁾ Pointe-Claire, Québec Director	Management Consultant	2016	3,000,000
Rafi Hazan ⁽¹⁾⁽²⁾⁽³⁾ Dollard-des-Ormeaux, Québec Director	Management Consultant	2006	685,004
Jeff Cheah ⁽⁴⁾ Toronto, Ontario Nominee	Treasury Consultant/Analyst ⁽⁵⁾	2020 ⁽⁶⁾	Nil
Tarik Alhaidary ⁽⁷⁾ London, England Nominee	Managing Director of Thames Gateway Waste to Energy ⁽⁸⁾	2020 ⁽⁹⁾	2,400,000 ⁽¹⁰⁾

(1) Member of the Audit Committee.

(2) Member of Corporate Governance, Nominating and Compensation Committee.

(3) Member of the Disclosure Committee.

(4) Age – 59.

(5) During the past five years, Mr. Cheah's principal occupation has been treasury analyst with Iamgold Corporation (past three years to present), and for the two years before that as a treasury consultant to Iamgold Corporation.

(6) Mr. Cheah was appointed as an additional director by the Corporation's Board of Directors on July 24, 2020.

(7) Age – 57.

(8) Principal occupation for the past five years.

(9) Mr. Alhaidary was appointed as a replacement director by the Corporation's Board of Directors on July 24, 2020.

(10) These shares are held in the name of Mr. Alhaidary's spouse.

The information as to shares beneficially owned or over which the above-named individuals exercise control or direction is not within the knowledge of the Corporation and has been furnished by the respective nominees individually. The Corporation does not have an executive committee.

The following is a brief biography of each of the nominees for election as directors of the Corporation:

Ferras Zalt – Director and Executive Chairman

Ferras Zalt has over 30 years of leadership and entrepreneurial experience, setting up and investing in early stage companies and achieving significant success. Through his leadership style, his vision and his reputation in the global investment community he has achieved significant valuation growth and several fold returns on investment to shareholders of the companies he has been involved in. Early in Mr. Zalt's career, he held positions at the NASA Space Agency, and Compaq Corp in the USA. In 1993, Mr. Zalt founded Softech, an IT consultancy business with a focus on the energy sector to capitalise on the need for specialist IT technical services particularly in Saudi Arabia. Softech grew rapidly and went on to deliver the largest SAP installation in the world at the time for Aramco in Saudi Arabia. In 1995, Mr. Zalt sold the company to Atos Origin achieving several fold returns on invested capital and remained on as CEO to drive the business to further success. In 2007, as a result of a global repositioning strategy, Mr. Zalt had the opportunity to lead a management buyout of the Company and within 2 years sold the company on to Hewlett Packard, achieving significant returns to investors. Mr. Zalt holds a MSc and Bachelors in Computer Science and Mathematics.

Mazen Haddad – Director and Chief Executive Officer

Mr. Haddad is a private investor and is currently the Chief Executive Officer and a director of the Corporation. Mr. Haddad holds a B.A. degree in economics from Emory University of Atlanta, Georgia. Mr. Haddad was Interim President and Chief Executive Officer of Argex Titanium Inc., a company listed on the Toronto Stock Exchange, from December 2015 to July 2016, and has been a director of Argex since June 2011. Mr. Haddad was President of Township Capital Inc., a private company whose primary role was to act as a consultant for Palos Capital Pool, L.P., from 2006 until 2010. Prior to that, he served as Chairman of SGI Properties Canada Fund L.P., a private real estate investment trust (REIT) focused on residential real estate in Montreal, Québec, and as Vice-President of SGI Capital Corp., a private investment company.

Mohammed Ghafari - Director

Mohammed Ghafari is the Executive Officer of MEEM Solutions Inc., a Canadian-based management consulting company focused on delivering business strategies and market development. Mr. Ghafari was one of the founding members of Digital Planet, a company specialized in Rich Media and video streaming/IPTV services. Prior thereto, Mr. Ghafari served as Middle East Regional Director for Convergys Corporation and as Executive Sales Director - Middle East for Lucent Technologies. He started his career at IBM Corporation, in Research and Development of smart software applications. Mr. Ghafari holds a B.Sc. degree with Honours in Computer Science from Leeds University in England.

Rafi Hazan - Director

Rafi Hazan is a consultant. Mr. Hazan was the Chief Financial Officer of the Corporation from August 30, 2013 to July 12, 2016. Prior thereto, he co-founded Buzz Telecommunications Services Inc., a company listed on the TSX Venture Exchange and the predecessor corporation of the Corporation, and served as its Chairman, President and Chief Executive Officer from 2006. Prior to that position, he co-founded and was the Chief Operating Officer of Cartel International Inc., a company specialized in the distribution of prepaid calling cards and other services via electronic terminals (POS). He also co-developed one of the first prepaid switching platforms for the telephone calling card industry in Canada. For more than 15 years, Mr. Hazan held various positions in both engineering and management in the telecom industry at companies such as SR Telecom, NHC Communications Inc. and Israel Aircraft Industry. Mr. Hazan holds a Bachelor of Science degree from the Technion, Israel Institute of Technology in Aerospace and Telecommunications, an MBA from Paris-Dauphine University in France and an MBA from Université du Québec à Montréal (UQAM). Mr. Hazan is a member of the Ordre des Ingénieurs du Québec.

Jeff Cheah - Nominee

Jeff Cheah is a treasury, and risk management professional, specializing in the FX and commodity markets. He has over 20 years of experience in the capital markets, both in the public and private sector. As a former policy maker at the Bank of Canada, Mr. Cheah served in the Financial Markets Department where he contributed to the decision-making process to

ensure financial market stability in Canada. In the private sector, Mr. Cheah managed financial market risks and has traded FX and commodities, developing short- and long-term market strategies for corporations, helping with hedge accounting processes and design. Mr. Cheah has served as a member of the Treasury Board of the Markets Technician Association in New York, was a member of the Investment Committee for the Ontario March of Dimes, and the Canadian National Institute for the Blind. He has a BBA in Economics and Finance, is a Chartered Market Technician and has the Certified Risk Manager professional designation from the University of Toronto.

Tarik Alhaidary - Nominee

Tarik Alhaidary is a graduate of the University of Southern California in computer science and computer engineering. Mr. Alhaidary brings a great deal of experience to Elixser's Board of Directors. During his 30 years of work experience, he has led several successful investments in the oil and gas and telecom industries. He was the founder and CEO of a mobile telecommunications company that grew to have a large base of subscribers. Mr. Alhaidary currently serves as a board member and Managing Director of Green Investment in Waste to Energy based in the United Kingdom.

To the knowledge of the Corporation, other than as set out below, none of the foregoing nominees for election as a director:

- (a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
 - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the last ten years, 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 his assets.

On January 29, 2019, the *Autorité des marchés financiers* (the “**AMF**”) issued management cease trade order (“**MCTO**”), which restricted all trading in securities of the Corporation by its Chief Executive Officer, Chief Financial Officer and directors. The MCTO was issued in connection with the Corporation's failure to file its audited annual financial statements for the period ended September 30, 2018, accompanying management's discussion and analysis and corresponding CEO and CFO certifications. The MCTO was also extended to cover the late filing of the Corporation's interim financial statements for the period ended December 31, 2018, accompanying management's discussion and analysis and related CEO and CFO certifications. The MCTO was lifted on March 12, 2019 following the filing of all of the required continuous disclosure documents. During the period of this MCTO, Messrs. Haddad, Ghafari and Hazan were directors of the Corporation.

Mr. Haddad is a director and the former interim Chief Executive Officer of Argex Titanium Inc. (“**Argex**”), which was subject to a MCTO issued on March 31, 2016 by the AMF which restricted all trading in securities of Argex by its executive officers and directors. The MCTO was issued in respect of the late filing of Argex's annual financial statements, accompanying management's discussion and analysis, related CEO and CFO certifications and annual information form for the financial year ended December 31, 2015. The MCTO was lifted by the AMF on May 18, 2016 upon the filing by Argex on April 28, 2016 of the annual financial statements and related documents referred to above.

None of the foregoing nominees for election as director of the Corporation 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 securityholder in deciding whether to vote for a proposed director.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion and Analysis

This Compensation Discussion and Analysis is intended to provide information about the Corporation's executive compensation philosophy, objectives and process and to discuss compensation relating to each person who acted as Chief Executive Officer and as Chief Financial Officer and the three most highly-compensated executive officers (or three most highly-compensated individuals acting in a similar capacity), other than the Chief Executive Officer and Chief Financial Officer, whose total compensation was more than \$150,000 in the Corporation's last financial year (each a "**Named Executive Officer**" or "**NEO**") and collectively the "**Named Executive Officers**" or "**NEOs**"). For the 15-month fiscal period ended December 31, 2019, the Corporation had six Named Executive Officers.

The following is a description of the Corporation's executive compensation philosophy and objectives for the 15-month fiscal period ended December 31, 2019.

Compensation Philosophy and Objectives

To date, the Corporation has not earned significant revenues. In light of the Corporation's current stage of development, it does not have a formal compensation program. The Board of Directors meets to discuss and determine management compensation without reference to formal criteria. The general objective of the Corporation's compensation is to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (ii) align management's interests with the long-term interests of shareholders; (iii) provide a compensation package that is commensurate with other investment companies in order to enable the Corporation to attract and retain talent; and (iv) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Corporation operates by virtue of the fact that it is a small investment company without a history of earnings.

Compensation Process

The Board of Directors, as a whole, upon the advice of the Corporate Governance and Nominating Committee, ensures that total compensation paid to all Named Executive Officers is fair and reasonable and accomplishes the following long-term objectives:

- produce long-term, positive results for the Corporation's shareholders;
- align executive compensation with corporate performance; and
- provide market-competitive compensation and benefits that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful.

Analysis of Elements

The compensation paid to Named Executive Officers is comprised of two main components: base salary and long-term incentives, in the form of stock options granted pursuant to the Corporation's 2016 Stock Option Plan, adopted by the Board of Directors on June 2, 2016. The following discussion describes the components of compensation and discusses how each component relates to the Corporation's overall executive compensation objective. The Corporation believes that:

- base salaries provide an immediate cash incentive for the Corporation's NEOs and should be at levels competitive with peer companies that compete with the Corporation for business opportunities and executive talent; and
- stock options ensure that the NEOs are motivated to achieve long-term growth of the Corporation and increases in shareholder value, and provide capital accumulation linked directly to the Corporation's performance.

The Corporation places equal emphasis on base salary and stock options as short-term and long-term incentives, respectively.

Base Salaries

Base salaries are based primarily on the level of responsibility of the position, the qualifications and experience of the officer and market conditions.

The base salaries of the NEOs are reviewed annually to ensure that they take into account the following factors: market and economic conditions, levels of responsibility and accountability of each NEO, skill and competencies of each individual, retention considerations, and level of demonstrated performance.

Base salaries, including that of the Chief Executive Officer, Chief Financial Officer and Executive Chairman, are reviewed by the Board of Directors as a whole, on the basis of its opinion as to a fair and responsible compensation package, taking into account the contribution of the executives to the Corporation's long-term growth and the knowledge of the members of the Board of Directors with respect to remuneration practices in Canada.

Long-Term Incentive Plans and Stock Option Plan

The Corporation has no long-term incentive plans in effect other than the 2016 Stock Option Plan. The Corporation provides long-term incentive compensation to its NEOs through the 2016 Stock Option Plan. The Board of Directors grants options from time-to-time based on its assessment of the appropriateness of doing so in light of the long-term strategic objectives of the Corporation, its current stage of development, the need to retain or attract particular key personnel, the number of options already outstanding and overall market conditions. The Board of Directors views the granting of options as a means of promoting the success of the Corporation and higher returns to its shareholders. As such, the Board of Directors does not grant options in excessively dilutive numbers or at exercise prices not reflective of the Corporation's underlying value. During the 15-month fiscal period ended December 31, 2019, the Corporation granted stock options in respect of an aggregate of 8,350,000 common shares to the NEOs and directors as set out under "Stock Options and Other Compensation Securities" below. For the material terms and conditions of the Corporation's 2016 Stock Option Plan, see the heading "2016 Stock Option Plan" below.

Group Benefits/Perquisites

The officers of the Corporation do not benefit from any life, medical, long-term disability or other insurance. None of the officers benefits from a retirement plan.

External Compensation Consultants

During the 15-month fiscal period ended December 31, 2019 and the fiscal year ended September 30, 2018, the Corporation did not retain the services of executive compensation consultants to assist the Board of Directors in determining compensation for any of the Corporation's Named Executive Officers or directors.

Assessment of Risks Associated with the Corporation's Compensation Policies and Practices

The Board of Directors has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Board of Directors 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 Corporation.

The Board of Directors considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its NEOs 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 NEOs or directors. To the knowledge of the Corporation, none of the NEOs or directors has purchased such financial instruments.

Summary of the Compensation of the Named Executive Officers and Directors

The following table provides information for the 15-month fiscal period ended December 31, 2019 and the fiscal year ended September 30, 2018:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
David Lenigas ⁽¹⁾ Co-Chairman and Director	2019	194,796	—	—	—	—	194,796
	2018	153,755	—	—	—	—	153,755
John McMullen ⁽²⁾ President and Chief Executive Officer	2019	187,500	30,000	—	—	—	217,500
	2018	127,500	—	—	—	—	127,500
Anthony Samaha ⁽³⁾ Chief Financial Officer and Director	2019	154,849	25,000	—	—	—	179,849
	2018	171,972	75,000	—	—	—	246,972
Mark Shinnners ⁽⁴⁾ Chief Financial Officer	2019	285,481	—	—	—	—	285,481
	2018	—	—	—	—	—	—
Mazen Haddad ⁽⁵⁾ Co-Chairman, Chief Executive Officer and Director	2019	490,871 ⁽⁶⁾	93,153	—	—	—	584,024
	2018	181,943 ⁽⁶⁾	282,000	—	—	—	463,941
Remy Di Meglio ⁽⁷⁾ Chief Operating Officer	2019	294,439 ⁽⁸⁾	—	—	—	—	284,439
	2018	—	—	—	—	—	—
Rafi Hazan Director	2019	60,000 ⁽⁹⁾	30,000	—	—	—	90,000
	2018	48,000 ⁽⁹⁾	—	—	—	—	48,000
Mohammed Ghafari Director	2019	50,000 ⁽¹⁰⁾	30,000	—	—	—	80,000
	2018	30,000 ⁽¹⁰⁾	—	—	—	—	30,000
Ferras Zalt ⁽¹¹⁾ Director and Executive Chairman	2019	—	—	—	—	—	—
	2018	—	—	—	—	—	—

(1) Mr. Lenigas ceased to be Co-Chairman of the Corporation as of May 22, 2019. Mr. Lenigas ceased to be a director of the Corporation as of July 23, 2020.

(2) Mr. McMullen ceased to be the Corporation's Chief Executive Officer as of April 3, 2019 but remained as the Corporation's President until August 10, 2020.

(3) Mr. Samaha ceased to be the Corporation's Chief Financial Officer as of April 3, 2019. Mr. Samaha ceased to be a director of the Corporation as of May 22, 2019. Includes compensation paid to a company controlled by Mr. Samaha.

(4) Mr. Shinnners was appointed the Corporation's Chief Financial officer as of April 3, 2019. Mr. Shinnners ceased to be the Corporation's Chief Financial

Officer as of March 31, 2020.

- (5) Mr. Haddad was appointed as the Corporation's Chief Executive Officer as of April 3, 2019. Mr. Haddad ceased to be Co-Chairman of the Corporation as of May 22, 2019.
- (6) Includes compensation paid to Clomata Ltd., a company controlled by Mr. Haddad.
- (7) Mr. Di Meglio was appointed the Corporation's Chief Operating Officer as of October 17, 2018. Mr. Di Meglio ceased to be the Corporation's Chief Operating Officer as of October 4, 2019.
- (8) Includes compensation paid to a company controlled by Mr. Di Meglio.
- (9) Includes compensation paid to a company controlled by Mr. Hazan.
- (10) The compensation was paid to a company controlled by Mr. Ghafari.
- (11) Mr. Zalt was appointed a director of the Corporation as of May 1, 2019. Mr. Zalt was appointed Chairman of the Corporation as of May 22, 2019. Mr. Zalt was named Executive Chairman of the Corporation as of October 1, 2019.

Stock Options and Other Compensation Securities

The following table sets out the details of all compensation securities granted or issued to the Named Executive Officers and directors during the 15-month fiscal period ended December 31, 2019, the Corporation's most recently-completed financial year:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class	Date of issue or grant	Issue, conversion or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end	Expiry date
David Lenigas ⁽¹⁾ Co-Chairman and Director	—	—	—	—	—	—	—
John McMullen ⁽²⁾ President and Chief Executive Officer	—	—	—	—	—	—	—
Anthony Samaha ⁽³⁾ Chief Financial Officer and Director	—	—	—	—	—	—	—
Mark Shinnars ⁽⁴⁾ Chief Financial Officer	Options	4,500,000	April 5, 2019	\$0.13	\$0.13	\$0.05	April 5, 2024 ⁽⁵⁾
Mazen Haddad ⁽⁶⁾ Co-Chairman, Chief Executive Officer and Director	Options	1,600,000	April 5, 2019	\$0.13	\$0.13	\$0.05	April 5, 2024
Remy Di Meglio ⁽⁷⁾ Chief Operating Officer	Options	2,250,000	April 3, 2019	\$0.10	\$0.10	\$0.05	April 3, 2024 ⁽⁸⁾
Rafi Hazan Director	—	—	—	—	—	—	—
Mohammed Ghafari Director	—	—	—	—	—	—	—
Ferras Zalt ⁽⁹⁾ Director and Executive Chairman	—	—	—	—	—	—	—

- (1) Mr. Lenigas ceased to be Co-Chairman of the Corporation as of May 22, 2019. Mr. Lenigas ceased to be a director of the Corporation as of July 23, 2020.
- (2) Mr. McMullen ceased to be the Corporation's Chief Executive Officer as of April 3, 2019 but remained as the Corporation's President until August 10, 2020.

- (3) Mr. Samaha ceased to be the Corporation's Chief Financial Officer as of April 3, 2019. Mr. Samaha ceased to be a director of the Corporation as of May 22, 2019.
- (4) Mr. Shinnars was appointed the Corporation's Chief Financial officer as of April 3, 2019. Mr. Shinnars ceased to be the Corporation's Chief Financial Officer as of March 31, 2020.
- (5) These options were cancelled 90 days following the date Mr. Shinnars ceased to be the Corporation's Chief Financial Officer.
- (6) Mr. Haddad was appointed as the Corporation's Chief Executive Officer as of April 3, 2019. Mr. Haddad ceased to be Co-Chairman of the Corporation as of May 22, 2019.
- (7) Mr. Di Meglio was appointed the Corporation's Chief Operating Officer as of October 17, 2018. Mr. Di Meglio ceased to be the Corporation's Chief Operating Officer as of October 4, 2019.
- (8) These options were cancelled 90 days following the date Mr. Di Meglio ceased to be the Corporation's Chief Operating Officer.
- (9) Mr. Zalt was appointed a director of the Corporation as of May 1, 2019. Mr. Zalt was appointed Chairman of the Corporation as of May 22, 2019. Mr. Zalt was named Executive Chairman of the Corporation as of October 1, 2019.

The following table sets out, for each Named Executive Officer and director, the exercise of compensation securities during the 15-month fiscal period ended December 31, 2019, the Corporation's most recently-completed financial year:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
David Lenigas ⁽¹⁾ Co-Chairman and Director	—	—	—	—	—	—	—
John McMullen ⁽²⁾ President and Chief Executive Officer	—	—	—	—	—	—	—
Anthony Samaha ⁽³⁾ Chief Financial Officer and Director	Options	500,000	\$0.05	March 28, 2019	\$0.09	\$0.04	\$20,000
Mark Shinnars ⁽⁴⁾ Chief Financial Officer	—	—	—	—	—	—	—
Mazen Haddad ⁽⁵⁾ Co-Chairman, Chief Executive Officer and Director	—	—	—	—	—	—	—
Remy Di Meglio ⁽⁶⁾ Chief Operating Officer	—	—	—	—	—	—	—
Rafi Hazan Director	—	—	—	—	—	—	—
Mohammed Ghafari Director	—	—	—	—	—	—	—
Ferras Zalt ⁽⁷⁾ Director and Executive Chairman	—	—	—	—	—	—	—

- (1) Mr. Lenigas ceased to be Co-Chairman of the Corporation as of May 22, 2019. Mr. Lenigas ceased to be a director of the Corporation as of July 23, 2020.
- (2) Mr. McMullen ceased to be the Corporation's Chief Executive Officer as of April 3, 2019 but remained as the Corporation's President until August 10, 2020.
- (3) Mr. Samaha ceased to be the Corporation's Chief Financial Officer as of April 3, 2019. Mr. Samaha ceased to be a director of the Corporation as of May 22, 2019.
- (4) Mr. Shinnars was appointed the Corporation's Chief Financial officer as of April 3, 2019. Mr. Shinnars ceased to be the Corporation's Chief Financial Officer as of March 31, 2020.

- (5) Mr. Haddad was appointed as the Corporation's Chief Executive Officer as of April 3, 2019. Mr. Haddad ceased to be Co-Chairman of the Corporation as of May 22, 2019.
- (6) Mr. Di Meglio was appointed the Corporation's Chief Operating Officer as of October 17, 2018. Mr. Di Meglio ceased to be the Corporation's Chief Operating Officer as of October 4, 2019.
- (7) Mr. Zalt was appointed a director of the Corporation as of May 1, 2019. Mr. Zalt was appointed Chairman of the Corporation as of May 22, 2019. Mr. Zalt was named Executive Chairman of the Corporation as of October 1, 2019.

Termination and Change of Control Benefits

The Corporation has no plan or arrangement whereby any NEO may be compensated in the event of the NEO's resignation, retirement or other termination of employment, or in the event of a change of control of the Corporation or a change in the NEO's responsibilities following such a change of control, other than:

- An employment agreement dated June 27, 2018 with Kym No who became the Corporation's Interim CFO as of March 31, 2020, which agreement provides for a termination payment equal to 24 months of base salary in the event her employment is terminated by the Corporation without cause;
- A consulting agreement dated April 3, 2019 with Clomata Ltd. through which Mazen Haddad provides his services to the Corporation as Chief Executive Officer, which agreement provides for a termination payment equal to 24 months of base fees in the event the agreement is terminated by the Corporation without cause; and
- A consulting agreement dated August 1, 2020 with Ferras Zalt through which he provides his services to the Corporation as Executive Chairman, which agreement provides for a termination payment equal to six months of base fees in the event the agreement is terminated by the Corporation without cause.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at December 31, 2019, the end of the Corporation's last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of Shares to be Issued upon Exercise of Outstanding Options, Rights and Warrants (a) ⁽¹⁾	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Shares Remaining for further Issuance under the Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Previously Approved by Shareholders	57,627,733	\$0.21	25,704,063
Equity Compensation Plans not Previously Approved by Shareholders	—	—	—

(1) The Corporation does not have any warrants or rights outstanding under any equity compensation plans.

The options referred to in the table above were granted pursuant to the 2016 Stock Option Plan. See "2016 Stock Option Plan" for a description of the material features of the 2016 Stock Option Plan.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No person who is, or who was at any time during the fiscal year ended December 31, 2019, a director, executive officer

or senior officer of the Corporation or a subsidiary thereof, and no person who is a nominee for election as a director of the Corporation, and no associate of such persons, is, or was at any time since the beginning of the fiscal year ended September December 31, 2019, indebted to the Corporation or a subsidiary of the Corporation, nor has any such person been indebted at any time since the beginning of the 15-month period ended December 31, 2019 to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation, other than as follows:

- (a) John McMullen, President of the Corporation, entered into a Loan Agreement dated February 15, 2018 with the Corporation, pursuant to which the Corporation loaned \$334,724 to Mr. McMullen of which approximately \$305,774 remains outstanding as of the date hereof;
- (b) Rafi Hazan, a director of the Corporation, entered into a Loan Agreement dated February 12, 2018 with the Corporation, pursuant to which the Corporation loaned \$67,988 to Mr. Hazan of which approximately \$44,367 remains outstanding as of the date hereof; and
- (c) Mohammed Ghafari, a director of the Corporation, entered into a Loan Agreement dated February 14, 2018 with the Corporation, pursuant to which the Corporation loaned \$206,698 to Mr. Ghafari of which approximately \$183,076 remains outstanding as of the date hereof.

In each case, the funds were used by the borrower to fund the exercise of stock options of the Corporation held by the borrower, and to fund the payment of Canadian federal and Québec provincial taxes resulting from such exercise. The stock options were exercised to assist with the closing of the bought-deal private placement in February 2018 and, as such none of the officers or directors who exercised the options received any personal benefit therefrom. The loans had an initial term of two years and do not bear interest. The Corporation now proposes to cancel these loans as set forth below under “Approval of the Cancellation of Insider Loans”.

AUDIT COMMITTEE

Charter of the Audit Committee

The Charter of the Audit Committee is annexed to this Circular as Schedule A.

Composition of the Audit Committee

The Audit Committee is currently composed of Mohammed Ghafari (Chairman), Rafi Hazan and Ferras Zalt. Under *National Instrument 52-110 – Audit Committees* (“**NI 52-110**”), a member of the Audit Committee is “independent” if he or she has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of the member’s independent judgment.

The Board of Directors has determined that Mohammed Ghafari and Rafi Hazan are independent members of the Audit Committee. Ferras Zalt is not an independent member of the Audit Committee as he is the Executive Chairman of the Corporation,

The Board of Directors has determined that each of the three members of the Audit Committee is “financially literate” within the meaning of Section 1.5 of NI 52-110, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Education and Relevant Experience

The education and related experience of each of the members of the Audit Committee are set out above under the heading “Election of Directors”.

Audit Committee Oversight

Since the commencement of the Corporation’s most recently-completed financial year, the Corporation’s Board of Directors

has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Charter of the Audit Committee. Any additional audit services which are required, are presented to the Audit Committee as required. During the 15-month period ended December 31, 2019, the Corporation incurred no expenses which required pre-approval.

External Auditor Fees

(a) Audit Fees

"Audit fees" consist of fees for professional services for the audit of the Corporation's annual financial statements, assistance with interim financial statements, and related matters. Baker Tilly WM LLP, the Corporation's external auditor, billed the Corporation \$201,300 for audit fees in respect of the 15-month fiscal period ended December 31, 2019. Ernst & Young LLP, the Corporation's former external auditor, billed the Corporation \$162,105 in audit fees in respect of the fiscal year ended September 30, 2018.

(b) Audit-Related Fees

"Audit-related fees" consist of fees for professional services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and which are not reported under "Audit Fees" above. Baker Tilly WM LLP, the Corporation's external auditor, billed the Corporation \$11,464 for audit-related fees in respect of the 15-month fiscal period ended December 31, 2019. Ernst & Young LLP, the Corporation's former external auditor, billed the Corporation \$5,798 for audit-related fees during the fiscal year ended September 30, 2018.

(c) Tax Fees

"Tax fees" consist of fees for professional services for tax compliance, tax advice and tax planning. Baker Tilly WM LLP, the Corporation's external auditor, billed the Corporation \$0 in tax fees during the 15-month fiscal period ended December 31, 2019. Ernst & Young LLP, the Corporation's former external auditor, billed the Corporation \$14,700 in tax fees during the fiscal year ended September 30, 2018.

(d) All Other Fees

"All Other Fees" consist of fees for services other than the audit fees, audit-related fees and tax fees described above. Baker Tilly WM LLP, the Corporation's external auditor, billed the Corporation \$0 for other services during the 15-month fiscal period ended December 31, 2019. Ernst & Young LLP, the Corporation's former external auditor, billed the Corporation \$31,197 for other services during the fiscal year ended September 30, 2018.

Exemption

The Corporation is relying on the exemption set out in Section 6.1 of NI 52-110, with respect to the composition of the Audit Committee and certain reporting obligations.

APPOINTMENT OF AUDITOR

Shareholders of the Corporation will be asked at the Meeting to appoint Baker Tilly WM LLP, Chartered Accountants, as the Corporation's auditor, to hold office until the close of the next annual meeting of shareholders of the Corporation or until its successors are appointed, and to authorize the directors of the Corporation to fix the auditor's remuneration.

On January 17, 2020, Ernst & Young LLP, the Corporation's former auditor, agreed to resign, and Baker Tilly WM LLP was appointed as auditor of the Corporation. A copy of the "reporting package" in respect of the change of auditors is annexed to this Circular as Schedule B.

Except where authorization to vote with respect to the appointment of the auditor is withheld, the persons named in the accompanying form of proxy intend to vote for the appointment of Baker Tilly WM LLP, Chartered Accountants, as the auditor of the Corporation until the next annual meeting of shareholders, at such remuneration as may be determined by the Board of Directors.

APPROVAL OF CONVERSION OF AIP DEBT AND CREATION OF A NEW CONTROL PERSON

Pursuant to a loan dated November 8, 2019, as amended and extended from time to time, the Corporation owes AIP Global Macro Fund LP ("**AIP**") the principal amount of \$3,000,000 plus interest and fees \$964,826 for a total debt of \$3,964,826 (the "**AIP Debt**").

The Corporation and AIP have agreed, subject to the receipt of shareholder approval and the approval of the TSX Venture Exchange (the "**TSXV**"), to allow for the conversion of \$3,619,105 of the AIP Debt (the "**AIP Converted Debt**") into 241,273,667 common shares at a deemed issue price of \$0.015 per share and 241,273,667 common share purchase warrants (the "**AIP Debt Settlement**"). Each warrant will be exercisable for a period of 60 months from the date of issuance at an exercise price of \$0.05 each. The balance of the AIP Debt will be due and payable on December 31, 2020, subject to the Corporation's sole option to defer payment for up to an additional 12 months.

AIP currently holds 8,900,000 common shares and 35,000,000 common share purchase warrants of the Corporation. Following completion of the AIP Debt Settlement, AIP will hold 250,173,667 common shares and 276,273,667 common share purchase warrants of the Corporation, representing approximately 31.20% of the Corporation's issued and outstanding common shares on an undiluted basis and 48.83% on a partially diluted basis. The AIP Debt Settlement will result in the creation of a new "Control Person" (as such term is defined in the policies of the TSXV) and, therefore, is subject to shareholder approval pursuant to the policies of the TSXV. TSXV policies require that where a transaction creates a new "Control Person", the approval of a majority of the securityholders (other than the new Control Person) is required. A "Control Person" for the purposes of TSXV policies includes any shareholder holding 20% or more of an issuer's shares, except where there is evidence showing that such shareholder does not materially affect control thereof.

The proposed AIP Debt Settlement was disclosed in the Corporation's press release of August 21, 2020. The pricing of the common shares issuable pursuant to AIP Debt Settlement is in reliance of the temporary relief measures established by the TSXV on April 8, 2020 providing for temporary relief measures to its Policy 4.3, lowering the minimum pricing from \$0.05 to \$0.01 per share for shares issued pursuant to a debt settlement where the market price of an issuer's shares is not greater than \$0.05. The market price of the Corporation's common shares at close of business on August 20, 2020 was \$0.015.

The Corporation intends to complete AIP Debt settlement shortly after (i) shareholder approval and (ii) the approval of the TSXV. All securities issued pursuant to the AIP Debt Settlement will be subject to hold period of four months and one day from the date of issuance.

At the Meeting, shareholders will be called upon to vote on the resolution annexed to this Circular as Schedule C (the "**AIP Control Person Resolution**") approving the AIP Debt Settlement and the creation of a new Control Person in AIP. In accordance with applicable securities regulations, only the votes of disinterested shareholders will be counted toward the AIP Control Person Resolution and, therefore, any shares held by AIP will be excluded from the vote thereon.

The Corporation's Board of Directors believe it is in the best interest of the Corporation to proceed with the AIP Debt Settlement. If shareholder approval is not obtained for the AIP Debt Settlement, the AIP Debt will not be converted and will

become due and payable by the Corporation, subject to any further amendments or extensions.

In order to be adopted, the AIP Control Person Resolution must be approved by a simple majority of the votes cast by the holders of the common shares, either present in person or represented by proxy at the Meeting, other than the votes attaching to shares beneficially owned by AIP.

Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote for the AIP Control Person Resolution.

APPROVAL OF CONVERSION OF ARLINGTON DEBT AND CREATION OF A NEW CONTROL PERSON

Pursuant to a loan dated August 29, 2019, as amended and extended from time to time, the Corporation owes Arlington Capital LP (“**Arlington**”) the principal amount of \$3,593,004 plus interest and fees \$1,067,869 for a total debt of \$4,660,873 (the “**Arlington Debt**”).

The Corporation and Arlington have agreed, subject to the receipt of shareholder approval and the approval of the TSXV, to allow for the conversion of \$4,248,515 of the Arlington Debt (the “**Arlington Converted Debt**”) into 283,234,333 common shares at a deemed issue price of \$0.015 per share and 283,234,333 common share purchase warrants (the “**Arlington Debt Settlement**”). Each warrant will be exercisable for a period of 60 months from the date of issuance at an exercise price of \$0.05 each. The balance of the Arlington Debt will be due and payable on December 31, 2020, subject to the Corporation’s sole option to defer payment for up to an additional 12 months.

Arlington currently holds 104,000,000 common shares of the Corporation. Following completion of the Arlington Debt Settlement, Arlington will hold 387,234,333 common shares and 283,234,333 common share purchase warrants of the Corporation, representing approximately 45.89% of the Corporation’s issued and outstanding common shares on an undiluted basis and 59.45% on a partially diluted basis. The Arlington Debt Settlement will result in the creation of a new “Control Person” (as such term is defined in the policies of the TSXV) and, therefore, is subject to shareholder approval pursuant to the policies of the TSXV. TSXV policies require that where a transaction creates a new “Control Person”, the approval of a majority of the securityholders (other than the new Control Person) is required. A “Control Person” for the purposes of TSXV policies includes any shareholder holding 20% or more of an issuer’s shares, except where there is evidence showing that such shareholder does not materially affect control thereof.

The proposed Arlington Debt Settlement was disclosed in the Corporation’s press release of August 21, 2020. The pricing of the common shares issuable pursuant to AIP Debt Settlement is in reliance of the temporary relief measures established by the TSXV on April 8, 2020 providing for temporary relief measures to its Policy 4.3, lowering the minimum pricing from \$0.05 to \$0.01 per share for shares issued pursuant to a debt settlement where the market price of an issuer’s shares is not greater than \$0.05. The market price of the Corporation’s common shares at close of business on August 20, 2020 was \$0.015.

The Corporation intends to complete Arlington Debt Settlement shortly after (i) shareholder approval and (ii) the approval of the TSXV. All securities issued pursuant to the Arlington Debt Settlement will be subject to hold period of four months and one day from the date of issuance. The Arlington Debt Settlement also constitutes a “related party transaction” as such term is defined in *Multilateral Instrument 61-101 – Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). The Corporation relies on the exemption from the valuation requirement pursuant to subsection 5.5(b) of MI 61-101 as the securities of the Corporation are not listed or quoted on enumerated stock exchanges.

At the Meeting, shareholders will be called upon to vote on the resolution annexed to this Circular as Schedule C (the “**Arlington Control Person Resolution**”) approving the Arlington Debt Settlement and the creation of a new Control Person in Arlington. In accordance with applicable securities regulations, only the votes of disinterested shareholders will be counted toward the Arlington Control Person Resolution and, therefore, any shares held by Arlington will be excluded from the vote thereon.

The Corporation’s Board of Directors believe it is in the best interest of the Corporation to proceed with the Arlington Debt Settlement. If shareholder approval is not obtained for the Arlington Debt Settlement, the Arlington Converted Debt will not be converted and will become due and payable by the Corporation, subject to any further amendments or extensions.

In order to be adopted, the Arlington Control Person Resolution must be approved by a simple majority of the votes cast by the holders of the common shares, either present in person or represented by proxy at the Meeting, other than the votes attaching to shares beneficially owned by Arlington.

Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote for the Arlington Control Person Resolution.

APPROVAL OF THE CANCELLATION OF INSIDER LOANS

As set forth in “Indebtedness to Officers and Directors” above, back in February of 2018, the Corporation entered into loan agreements with three of its officers and directors. Specifically, the Corporation entered into loan agreements with:

- (a) John McMullen, former President of the Corporation, on February 15, 2018 pursuant to which the Corporation loaned \$334,724 to Mr. McMullen of which approximately \$305,774 remains outstanding as of the date hereof;
- (b) Rafi Hazan, a director of the Corporation, on February 12, 2018 pursuant to which the Corporation loaned \$67,988 to Mr. Hazan of which approximately \$44,367 remains outstanding as of the date hereof; and
- (c) Mohammed Ghafari, a director of the Corporation, on February 14, 2018 pursuant to which the Corporation loaned \$206,698 to Mr. Ghafari of which approximately \$183,076 remains outstanding as of the date hereof.

In each case, the funds were used by the borrower to fund the exercise of stock options of the Corporation held by the borrower, and to fund the payment of Canadian federal and Québec provincial taxes resulting from such exercise. The stock options were exercised to assist with the closing of the bought-deal private placement in February 2018 and, as such none of the officers or directors who exercised the options received any personal benefit therefrom. The loans had an initial term of two years and do not bear interest. The Corporation’s Board of Directors has approved the cancellation of three loans and all amounts outstanding thereunder.

Under policies of the TSXV, the cancellations are subject to disinterest shareholder approval. At the Meeting, shareholders will be called upon to vote on the resolution annexed to this Circular as Schedule D (the “**Insider Loan Resolution**”), approving, ratifying and confirming the cancellation of the three loans and all amounts outstanding thereunder.

In order to be adopted, the Insider Loan Resolution must be approved by a simple majority of the votes cast by the holders of the common shares, either present in person or represented by proxy at the Meeting, other than the votes attaching to shares beneficially owned by the three officers and directors of the Corporation.

Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote for the Insider Loan Resolution.

AMENDMENT TO THE STOCK OPTION PLAN

On August 18, 2020, the Board of Directors of the Corporation adopted amendments to the 2016 Stock Option Plan of the Corporation (the “**Plan**”) increasing to 112,106,606 from 83,331,796 the number of common shares that may be issued under the Plan. The Board of Directors increased the number of shares which may be issued under the Plan in part to reflect the increase during the last year in the number of issued and outstanding common shares of the Corporation following a number of transactions by the Corporation.

Prior to the amendment, the Plan provided for the issuance of a maximum of 83,331,796 common shares upon the exercise of stock options. On August 18, 2020, the Board of Directors amended the Plan so as to increase the number of common shares reserved for issuance thereunder to 112,101,606 shares, representing an increase of 28,769,810 common shares. The 112,101,606 shares which may be issued under the Plan represents 20% of the number of issued and outstanding shares of the Corporation on August 18, 2020 (560,508,032 shares).

The amendment to the Plan is subject to approval by the TSXV and to shareholder approval.

At the Meeting, Shareholders will be called upon to vote on the resolution annexed to this Circular as Schedule E (the “**Stock**

Option Plan Resolution") approving such amendments to the Plan.

In the event that the Stock Option Plan Resolution is not approved at the Meeting, the maximum number of common shares that can be issued under the Plan will remain at 83,331,796. The material terms and conditions of the Plan are set out below under "2016 Stock Option Plan".

In order to be adopted, the Stock Option Plan Resolution must be approved by a simple majority of the votes cast by the holders of the common shares, either present in person or represented by proxy at the Meeting.

Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote for the Stock Option Plan Resolution.

2016 STOCK OPTION PLAN

The Plan was established by the Board of Directors of the Corporation on June 2, 2016 and initially approved by the shareholders of the Corporation at the annual and special meeting of the shareholders of the Corporation held on July 6, 2016. The Plan is a fixed stock option plan, and the following are the material terms and conditions of the Plan:

- (a) the Board of Directors of the Corporation may grant options to directors, officers and employees of, and consultants to, the Corporation and its subsidiaries;
- (b) subject to shareholder approval as described above under "Amendment to the 2016 Stock Option Plan", a maximum of 112,101,606 common shares are issuable under the 2016 Stock Option Plan;
- (c) the aggregate number of common shares reserved for issuance upon the exercise of options by any one person cannot exceed, during any twelve-month period, 5% of the number of issued and outstanding common shares of the Corporation at the date the option is granted;
- (d) the aggregate number of common shares reserved for issuance upon the exercise of options by any one consultant cannot exceed, during any twelve-month period, 2% of the number of issued and outstanding common shares of the Corporation at the date the option is granted to the consultant;
- (e) the aggregate number of common shares reserved for issuance upon the exercise of options by any person employed to provide investor-relation activities cannot exceed, during any twelve-month period, 2% of the number of issued and outstanding common shares of the Corporation at the date the option is granted to such person;
- (f) the exercise price of the options is determined by the Board of Directors at the time the options are granted, but cannot be less than the closing price of the Corporation's common shares on the trading day immediately preceding the day on which the option is granted, less the maximum discount permitted under the policies of the TSX Venture Exchange;
- (g) subject to the requirements of the TSXV the Board has the discretion to set the terms of any vesting schedule for each option granted;
- (h) the period during which an option may be exercised is determined by the Board of Directors at the time of grant, after which the option lapses, subject to a maximum of ten years from the date of grant;
- (i) options are not assignable or transferable, except by will or the laws of succession;
- (j) if an optionee becomes, in the determination of the Board of Directors, permanently disabled while employed by the Corporation or while a director thereof or consultant thereto, any option may be exercised only for that number of shares which the optionee was entitled to acquire at the time of the occurrence of the permanent disability, at the latest on the date of expiry of the option or 90 days after such occurrence (30 days if the optionee was engaged in investor-relation activities), whichever occurs first, after which the option lapses;
- (k) if an optionee dies, any option held by the optionee may be exercised only for that number of shares which the

optionee was entitled to acquire at the time of death, at the latest on the date of expiry of the option or one year after the date of death, whichever occurs first, after which the option lapses;

- (l) upon an optionee's employment, office, directorship or consulting services with the Corporation terminating or ending otherwise than by reason of death, permanent disability or termination for cause, any option held by the optionee may be exercised only for that number of shares which the optionee was entitled to acquire at such time, at the latest on the date of expiry of the option or 90 days after such date (30 days if the optionee was engaged in investor-relation activities), whichever occurs first, after which the option lapses;
- (m) the option price is payable in full at the time an option is exercised; and
- (n) in the event that an offer to purchase the common shares of the Corporation or any part thereof is made to all shareholders, the Corporation has the right to permit the exercise of all outstanding options within a 20-day period and to determine that upon the expiry of such 20-day period, the options lapse.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No "informed person" of the Corporation, that is: (a) the directors and executive officers of the Corporation; (b) any person who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the Corporation's outstanding voting shares; (c) any director or executive officer of a person referred to in (b) above; or (d) any associate or affiliate of any "informed person" of the Corporation, has any material interest, direct or indirect, in any transaction since January 1, 2020 or in any proposed transaction which has materially affected or would materially affect the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of (i) any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, (ii) any nominee for election as director of the Corporation, or (iii) any associate or affiliate of the persons listed in (i) and (ii), in any matter to be acted upon at the Meeting, other than the election of directors, the ratification, confirmation and approval of the cancellation of the insider loans referred to under "Approval of the Cancellation of Insider Loans" above and the ratification, confirmation and approval of amendments to the Plan referred to under "Amendments to the 2016 Stock Option Plan" above.

OTHER MATTERS

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

SHAREHOLDER PROPOSALS

The *Canada Business Corporations Act* provides, in effect, that a registered holder or beneficial owner of shares that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a "**Proposal**") and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The *Canada Business Corporations Act* further provides, in effect, that the Corporation must set out the Proposal in its management information circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management information circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation at least 90 days before the anniversary date of the notice of meeting that was sent to the shareholders in connection with the previous annual meeting of shareholders of the Corporation. As the notice in connection with the Meeting is dated August 20, 2020 the deadline for submitting a proposal to the Corporation in connection with the next annual meeting of shareholders is May 22, 2021.

The foregoing is a summary only; shareholders should carefully review the provisions of the *Canada Business Corporations*

Act relating to Proposals and consult with a legal advisor.

CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 – Corporate Governance Guidelines and *National Instrument 58-101 – Disclosure of Corporate Governance Practices*, set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

1. Board of Directors

The Board of Directors considers that Mohammed Ghafari, Rafi Hazan and Jeff Cheah are independent within the meaning of *National Instrument 52-110 – Audit Committees* ("NI 52-110").

The Board of Directors considers that the following directors are not independent within the meaning of NI 52-110: Ferras Zalt (in that he is the Executive Chairman of the Corporation), Mazen Haddad (in that he is the Chief Executive Officer of the Corporation) and Tarik Alhaidary (in that he is a director of the general partner of Arlington Capital LP, an insider of the Corporation).

The Board of Directors considers that three of the six members of the Board of Directors are independent within the meaning of NI 52-110.

2. Directorships

The following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name of Director	Issuer
Mazen Haddad	Argex Titanium Inc.

3. Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board of Directors encourages directors to participate in ongoing professional development through qualified organizations.

4. Ethical Business Conduct

In light of the Corporation's stage of development and its limited number of employees, the Board of Directors has not taken formal steps to encourage and promote a culture of ethical business conduct. The Corporation does take measures to ensure that the directors, officers and employees do not trade in the Corporation's shares at a time when disclosure of material information is pending.

Notwithstanding the absence of a formal code of conduct, the Board of Directors believes that the fiduciary duties placed on individual directors by the *Canada Business Corporations Act* and the common law, as well as the restrictions placed by the *Canada Business Corporations Act* on an individual director's participation in decisions of the Board of Directors in which the director has an interest, have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Corporation.

Further, it is the policy of the Corporation that an interested director or officer recuse himself or herself from the decision-making process pertaining to a contract or transaction in which he or she has an interest.

5. Nomination of Directors

The Board of Directors will consider new candidates for nomination, if deemed necessary. The board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

6. Compensation

In determining the compensation of the directors, the Board of Directors considers the size of the Corporation, its financial resources and the contribution of the directors to the Corporation's growth.

The process by which the Corporation currently determines the compensation of its executive officers and directors is described in the section entitled "Compensation of Executive Officers and Directors - Compensation Discussion and Analysis" above.

7. Other Board Committees

The Board of Directors does not have any standing committees other than the Audit Committee, Corporate Governance, Nominating and Compensation Committee, and Disclosure Committee.

Corporate Governance, Nominating and Compensation Committee

The Corporate Governance, Nominating and Compensation Committee ("CGNCC") is expected to meet not less than twice a year and at such other times as required. The CGNCC is responsible for determining, within the agreed terms of reference, the Corporation's policy on the remuneration packages of the Corporation's chief executive officer, chairman, executive and non-executive directors, the Corporation's secretary and other senior executives. The CGNCC also has responsibility for:

- (i) recommending to the Board a compensation policy for directors and executives and monitoring its implementation; and
- (ii) approving and recommending to the Board, the total individual remuneration package of the chairman, each executive and non-executive director, the chief executive officer and all other senior executives (including bonuses, incentive payments and share options or other share awards). No individual may be involved in any discussions as to his or her own remuneration.

The CGNCC also has the responsibility for reviewing the structure, size and composition (including the skills, knowledge and experience) of the board and giving full consideration to succession planning. The CGNCC also has the responsibility for recommending new appointments to the Board of Directors and to the other board committees. It is responsible for identifying suitable candidates for board membership and for monitoring the performance and suitability of the current Board on an on-going basis.

8. Assessments

The Board of Directors, as a whole, is responsible for assessing the effectiveness of the Board of Directors, its committees and individual directors and the competence and qualifications that each director is required to bring to the Board of Directors. Although no formal process has been put in place for such assessment, the board conducts informal assessments on an as-needed basis. In this regard, the Board of Directors from time-to-time examines and comments on its effectiveness and that of its committees, and makes adjustments when warranted.

9. Diversity Disclosure

The Corporation's Board of Directors and senior management have diverse backgrounds and expertise and were selected on the belief that the Corporation and its stakeholders would benefit from such a broad range of talent and

experiences. The Board of Directors considers merit as the key requirement for board and executive appointments. As such, the Corporation has not adopted any target number or percentage, or a range of target numbers or percentages, respecting the representation of women, Indigenous peoples, persons with disabilities or members of visible minorities (collectively, “**members of designated groups**”) on the board or in management roles.

The Corporation has not developed a written diversity policy. However, informally, the Corporation values diversity as part of its overall business strategy. In the future, the Board of Directors intends to consider whether it should adopt specific policies and practices regarding the representation of members of designated groups on the board and in executive positions. The Corporation currently has one member of designated groups in a senior executive position, namely Kym No who is the Corporation’s current Chief Financial Officer.

10. Term Limits

The Corporation does not have a policy that limits the term of the directors on its Board of Directors and has not provided other mechanisms of board renewal. At this time, the Board of Directors does not believe that it is in the best interest of the Corporation to establish term limits on a director’s mandate or a mandatory retirement age. The Board of Directors is of the opinion that term limits may disadvantage the Corporation through the loss of beneficial contributions of its directors.

ADDITIONAL INFORMATION

Financial information about the Corporation is contained in its comparative financial statements and Management’s Discussion and Analysis for the 15-month fiscal period ended December 31, 2019, and additional information about the Corporation is available on SEDAR at www.sedar.com.

If you would like to obtain, at no cost to you, a copy of any of the following documents:

- (a) the comparative financial statements of the Corporation for the 15-month period ended December 31, 2019 together with the accompanying report of the auditor thereon and any interim financial statements of the Corporation for periods subsequent to thereto and Management’s Discussion and Analysis with respect thereto; and
- (b) this Circular,

please send your request to:

Elixer Ltd.
Place Victoria
800 rue du Square-Victoria, Suite 3700
Montreal, Quebec H4Z 1E9

E-mail: info@elixer.com

AUTHORIZATION

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

“Mazen Haddad” (signed)

Mazen Haddad, Chief Executive Officer

DATED the 21st day of August, 2020.

SCHEDULE A

CHARTER OF THE AUDIT COMMITTEE

1. General

The Board of Directors Elixer Ltd. (the “**Corporation**”) has delegated the responsibilities, authorities and duties described below to the Audit Committee of the Board of Directors (the “**Audit Committee**”).

The Audit Committee will provide independent review and oversight of the Corporation’s financial reporting process, the system of internal control and management of financial risks, and the audit process, including the oversight of the Corporation’s external auditor. In so doing, the Audit Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

2. Members

The Audit Committee shall be composed of a minimum of three members. Members of the Audit Committee shall be appointed by the Board of Directors. In this regard, the Board of Directors, at its first meeting held after an annual meeting of shareholders, shall appoint the members of the Audit Committee to hold office until the next annual meeting of shareholders. The Board of Directors may at any time appoint additional members of the Audit Committee, remove or replace any member of the Audit Committee, or fill any vacancy on the Audit Committee. Any member of the Audit Committee ceasing to be a director shall cease to be a member of the Audit Committee. The Board of Directors shall fill a vacancy if the membership of the Audit Committee is less than three directors as a result of such vacancy. The Chair of the Audit Committee may be designated by the Board of Directors or, if it does not do so, the members of the Audit Committee may elect a Chair by vote of a majority of the full Audit Committee membership.

A majority of the members of the Audit Committee shall be “independent” within the meaning of *National Instrument 52-110 – Audit Committees*.

3. Meetings

The Audit Committee shall meet at least quarterly at such times and locations as the Chair of the Audit Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation’s quarterly and annual financial statements and the related management’s discussion and analysis. The external auditor or any two members of the Audit Committee may also request a meeting of the Audit Committee. The Chair of the Audit Committee shall hold in camera sessions of the Audit Committee, without management present, at every meeting. The Audit Committee may invite such other persons to its meetings as it deems appropriate in order to carry out its duties.

The Audit Committee shall submit the minutes of all meetings to the Board of Directors, and when so requested, shall review the matters discussed at an Audit Committee meeting with the Board of Directors.

A quorum for any meeting shall be two members of the Audit Committee.

The Audit Committee shall have the authority to require the attendance of the Corporation’s officers at meetings of the Audit Committee, as it deems appropriate or necessary.

4. Committee Charter

The Audit Committee shall review and reassess the adequacy of this charter at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board of Directors, if necessary.

5. Duties of the Audit Committee

The Audit Committee shall have the following duties:

(a) *Oversight of Financial Information and Reporting*

- (i) The Audit Committee shall review, with management and the external auditor, and recommend to the Board of Directors for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (ii) The Audit Committee shall review, with management and the external auditor, if deemed necessary, and recommend to the Board of Directors for approval, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (iii) The Audit Committee shall review, with management and the external auditor, and recommend to the Board of Directors for approval, any financial statements of the Corporation which have not previously been approved by the Board of Directors and which are to be included in a prospectus or other public disclosure document of the Corporation.
- (iv) The Audit Committee shall consider and be satisfied that adequate policies and procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements (other than disclosure referred to above), and periodically assess the adequacy of such procedures.

(b) *Relationship with External Auditor*

The Audit Committee shall recommend to the Board of Directors the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation and shall recommend to the Board of Directors the compensation of the external auditor. The external auditor is required to be an auditor registered with the Canadian Public Accountability Board that is in compliance with any restrictions or sanctions imposed by such Board.

The Audit Committee shall be directly responsible for overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting.

(c) *Pre-Approval of Non-Audit Services*

The Audit Committee shall pre-approve all non-audit services to be provided to the Corporation (or any subsidiary entities) by the Corporation's external auditor.

(d) *Complaints Procedure*

The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(e) *Hiring Policies*

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

(f) *Reporting*

The Audit Committee shall report regularly to the Board of Directors regarding any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the external auditor, or the internal audit function.

6. Authority to Engage Independent Counsel and Advisors

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board of Directors, for: (a) payment of compensation to the external auditor employed by the issuer for the purpose of rendering or issuing an audit report; (b) payment of compensation to any advisors employed by the Audit Committee; and (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee shall have the authority, within the scope of its responsibilities, to seek any information it requires from any employee of the Corporation and from external parties.

SCHEDULE B

CHANGE OF AUDITOR REPORTING PACKAGE

(attached)

ELIXXER LTD.

CHANGE OF AUDITOR NOTICE
Pursuant to Section 4.11 of Regulation 51-102
respecting Continuous Disclosure Obligations

In accordance with Section 4.11 of *Regulation 51-102 respecting Continuous Disclosure Obligations* (the “**Regulation**”), Elixser Ltd. (the “**Corporation**”) hereby gives notice that:

1. At the request of the Corporation, Ernst & Young LLP (“**E&Y**”) has resigned as the auditor of the Corporation, effective as of January 27, 2020;
2. Effective as of January 27, 2020, Baker Tilly WM LLP (“**Bakertilly**”) has been appointed as the new auditor of the Corporation, to hold office until the next annual meeting of the Corporation’s shareholders;
3. The resignation of E&Y and the appointment of Bakertilly were considered and approved by the Corporation’s Audit Committee and Board of Directors;
4. There were no modified opinions in the auditor’s reports of E&Y on the Corporation’s financial statements for (a) the two most recently completed financial years or (b) for any period subsequent thereto for which an audit report was issued and preceding the effective date of the resignation of E&Y;
5. There are no “reportable events” as such term is defined in the Regulation; and
6. This Change of Auditor Notice has been reviewed and approved by the Corporation’s Audit Committee and Board of Directors.

Dated the 27th day of January, 2020.

ELIXXER LTD.

“Mark Shinnars” (signed)

Per: _____
Mark Shinnars
Chief Financial Officer



Ernst & Young s.r.l./s.e.n.c.r.l.
Ernst & Young LLP
900, boul. De Maisonneuve Ouest
Bureau 2300
Montréal (Québec) H3A 0A8

Tél./Tel: +1 514 875 6060
Télec./Fax: +1 514 879 2600
ey.com

January 27, 2020

Autorités des marchés financiers
Ontario Securities Commission
Manitoba Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
TSX Venture Exchange

Dear Sirs/Mesdames:

Re: Elixer Ltd.
Change of Auditor Notice dated January 27, 2020

Pursuant to National Instrument 51-102 (Part 4.11), we have read the above-noted Change of Auditor Notice and confirm our agreement with the information contained in the Notice pertaining to our firm.

Yours sincerely,

Ernst & Young LLP

cc: The Board of Directors, Elixer Ltd.

January 29, 2020

To: British Columbia Securities Commission
Alberta Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
TSX Venture Exchange

Re: Elixer Ltd. – Notice of Change of Auditors

We have read the statements made by Elixer Ltd. in the attached copy of the Notice of Change of Auditors (the “Notice”) dated January 27, 2020. The Notice is being filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the Notice of Change of Auditor dated January 27, 2020.

Yours very truly,

Baker Tilly WM LLP

Baker Tilly WM LLP
Licensed Public Accountants
Chartered Professional Accountants

SCHEDULE C

AIP CONTROL PERSON RESOLUTION

BE IT RESOLVED:

1. **THAT** all capitalized terms referred to in this resolution shall have the meanings ascribed thereto in the Corporation's management information circular dated August 21, 2020;
2. **THAT** the AIP Debt Settlement be and is hereby approved;
3. **THAT** the creation of AIP, pursuant to the AIP Debt Settlement, as a new "Control Person" of the Corporation in accordance with the policies of the TSXV be and is hereby approved; and
4. **THAT** any officer or director of the Corporation be and is are hereby authorized and directed, on behalf of the Corporation, to execute and deliver any document or instrument, to do all such acts and to take any measure, in the opinion of such officer or director, that may prove necessary or desirable to give full effect to this resolution.

SCHEDULE D

ARLINGTON CONTROL PERSON RESOLUTION

BE IT RESOLVED:

1. **THAT** all capitalized terms referred to in this resolution shall have the meanings ascribed thereto in the Corporation's management information circular dated August 21, 2020;
2. **THAT** the Arlington Debt Settlement be and is hereby approved;
3. **THAT** the creation of Arlington, pursuant to the Arlington Debt Settlement, as a new "Control Person" of the Corporation in accordance with the policies of the TSXV be and is hereby approved; and
4. **THAT** any officer or director of the Corporation be and is are hereby authorized and directed, on behalf of the Corporation, to execute and deliver any document or instrument, to do all such acts and to take any measure, in the opinion of such officer or director, that may prove necessary or desirable to give full effect to this resolution.

SCHEDULE E
INSIDER LOAN RESOLUTION

BE IT RESOLVED:

1. **THAT** the cancellation by the Corporation of the loans to three of its officers and directors and all amounts outstanding thereunder, all as described in the management information circular dated August 21, 2020, be and is hereby approved, ratified and confirmed; and
2. **THAT** any officer or director of the Corporation be and is are hereby authorized and directed, on behalf of the Corporation, to execute and deliver any document or instrument, to do all such acts and to take any measure, in the opinion of such officer or director, that may prove necessary or desirable to give full effect to this resolution

SCHEDULE F

STOCK OPTION PLAN RESOLUTION

BE IT RESOLVED:

1. **THAT** the amendment to the 2016 Stock Option Plan (the “**Plan**”) of the Corporation adopted by the Board of Directors of the Corporation on August 18, 2020, increasing to 112,101,606 from 83,331,7996 the number of shares which may be issued under the Plan, representing 20% of the number of issued and outstanding shares of the Corporation on August 18, 2020, all as described in the management information circular of the Corporation dated August 21, 2020, be and is hereby approved, ratified and confirmed; and
2. **THAT** any officer or director of the Corporation be and is are hereby authorized and directed, on behalf of the Corporation, to execute and deliver any document or instrument, to do all such acts and to take any measure, in the opinion of such officer or director, that may prove necessary or desirable to give full effect to this resolution.