SHORT FORM PROSPECTUS

NEW ISSUE **June 27, 2011**

BIOEXX SPECIALTY PROTEINS LTD.

$20,000,000
20,000,000 Units

Price: $1.00 per Unit

This short form prospectus qualifies the distribution of 20,000,000 units (the "**Units**") of BioExx Specialty Proteins Ltd. (the "**Corporation**" or "**BioExx**") at a price of $1.00 per Unit (the "**Offering**"). Each Unit is comprised of one common share of the Corporation (a "**Unit Share**") and one-half of one common share purchase warrant of the Corporation (each whole warrant, a "**Warrant**"), each such Warrant entitling the holder thereof to purchase one common share of the Corporation (a "**Warrant Share**") at an exercise price of $1.50 for a period expiring the earlier of: (a) 36 months following the Closing Date (as defined herein); and (b) 10 days from the date of the notice from the Corporation to purchasers of Units that the 20 day volume weighted average trading price of the Corporation's Common Shares on the TSX (or such other stock exchange as the Common Shares may then be listed) is greater than $2.25 (the "**Warrant Expiry Time**"). The Units will separate into Unit Shares and Warrants immediately upon closing of the Offering. The price for the Units offered under this short form prospectus was determined by negotiation between BioExx and Canaccord Genuity Corp., on behalf of itself and the other Underwriters (as defined herein) in the context of market conditions. The outstanding common shares of the Corporation (the "**Common Shares**") are listed on the Toronto Stock Exchange (the "**TSX**") under the symbol "BXI". On June 13, 2011, the last trading day prior to the announcement of the Offering, the closing price of the Common Shares on the TSX was $1.06. BioExx has received conditional approval to list the Unit Shares (together with any Warrant Shares which may be issued upon exercise of the Warrants) offered under this short form prospectus on the TSX. Listing will be subject to BioExx fulfilling all of the requirements of the TSX on or before September 19, 2011.

Warrants may be exercised upon surrender of the Warrant certificate on or before the Warrant Expiry Time at the principal office of the Warrant Agent (as defined herein), with the notice of exercise found annexed to the Warrant Indenture (as defined herein) completed and executed as indicated, accompanied by payment of the exercise price for the number of Common Shares for which the Warrants are being exercised. See "Details of the Offering".

The Units are being offered for sale to the public pursuant to an Underwriting Agreement dated June 20, 2011 (the "**Underwriting Agreement**") among the Corporation and Canaccord Genuity Corp., Scotia Capital Inc., Wellington West Capital Markets Inc. and Stonecap Securities Inc. (collectively, the "**Underwriters**").

	Price to the Public(1)	**Underwriters' Commission (1)(2)**	**Net Proceeds to BioExx(1)(3)**
Per Unit………………....	$1.00	$0.06	$0.94
Total………………………………..	$20,000,000	$1,200,000	$18,800,000

Notes:

(1) The Corporation has also granted to the Underwriters an option (the "**Over-Allotment Option**"), which Over-Allotment Option may be exercised in whole or in part, to purchase up to an additional 3,000,000 Units (the "**Over-Allotment Units**") (equal to 15% of the number of Units sold pursuant to the Offering) at a price of $1.00 per Unit on the same terms as the Offering, including up to an additional 1,500,000 Warrants (the "**Additional Warrants**"). The Additional Warrants can be purchased independent of the Over-Allotment Units at a price of $0.09 per Additional Warrant. The Over-Allotment Option is exercisable by the Underwriters at any time and from time to time until 5:00 p.m. (Toronto time) on the 30th day following the Closing Date (as defined below) to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters: (i) to acquire Over-Allotment Units, (ii) to acquire Additional Warrants, or (iii) to acquire any combination of Over-Allotment Units and Additional Warrants, so long as the Over-Allotment Option does not exceed 3,000,000 Unit Shares and 1,500,000 Warrants. This short form prospectus qualifies both the granting of the Over-Allotment Option and the distribution of the Over-Allotment Units (including the Unit Shares and the Warrant Shares issuable upon the due exercise of the Warrants which, together with such Unit Shares comprise the Over-Allotment Units) and/or the Warrant Shares issuable upon the due exercise of the Additional Warrants which may be issued upon exercise of the Over-Allotment Option. A purchaser who acquires Over-Allotment Units and/or Additional Warrants forming part of the over-allotment position of the Underwriters acquires such Over-Allotment Units and/or such Additional Warrants under this short form prospectus, and, in the case of the Over-Allotment Units, regardless of whether such over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. Unless the context otherwise requires, all references to "Units", "Unit Shares" or "Warrants" include those Units, Unit Shares and Warrants issuable on exercise of the Over- Allotment Option. If the Offering is fully sold and the Over-Allotment Option is exercised in full, the total Price to the Public, Underwriters' Fee and Net Proceeds to the Corporation, prior to deducting expenses of the Offering, would be $23,000,000, $1,380,000 and $21,620,000, respectively. See "Plan of Distribution".

(2) The Underwriters will receive a cash fee equal to 6% of the gross proceeds of the Offering and of any additional gross proceeds raised in connection with the exercise of the Over-Allotment Option (the "**Underwriters' Fee**"), payable on the Closing Date. The Corporation will reimburse the Underwriters for the reasonable out-of-pocket expenses incurred by the Underwriters in connection with the Offering, including fees and disbursements of the Underwriters' legal counsel. See "Plan of Distribution".

(3) After deducting the Underwriters' Fee but before deducting expenses of the Offering, estimated to be $250,000.

Underwriters' Position	**Maximum size or number of securities held**	**Exercise Period**	**Exercise Price**
Over-Allotment Option	Option to acquire up to an additional 3,000,000 Units (equal to 15% of the number of Units sold pursuant to the Offering), including up to an additional 1,500,000 Warrants	Any time up to 30 days after the Closing Date of the Offering	$1.00 per additional Unit and $0.09 per additional Warrant

The Underwriters, as principals, conditionally offer the Units, subject to prior sale, if as and when issued and delivered by BioExx and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters relating to the Offering on behalf of the Corporation, by Chitiz Pathak LLP and on behalf of the Underwriters, by Goodmans LLP.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription book at any time without notice. Closing of the Offering is expected to occur on or about June 30, 2011, but in any event no later than July 15, 2011 (the "**Closing Date**"). Book-entry only certificates representing the Unit Shares and Warrants will be issued in registered form to CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and will be deposited with CDS on Closing. A purchaser of Units will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Units are purchased. Certificates representing Unit Shares and Warrants sold to purchasers in the United States will be in physical form and bear applicable United States restrictive legends. Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price for the Common Shares at levels other than those which otherwise might prevail in the open market. See "Plan of Distribution".

On the basis of applicable legislation on the date hereof, in the opinion of Cooper Schusheim Berliner LLP, tax counsel to BioExx, and Goodmans LLP, counsel to the Underwriters, subject to the qualifications and assumptions discussed under the heading "Eligibility For Investment", the Unit Shares and Warrants comprising the Units, on the Closing Date will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder (the

"**Tax Act**") for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts. See "Eligibility for Investment".

An investment in the Units offered hereunder is speculative and involves a high degree of risk. The risk factors identified under the headings "Risk Factors" and "Forward Looking Statements" in this short form prospectus should be carefully reviewed and evaluated by prospective purchasers before purchasing the Units being offered hereunder.

The Underwriters propose to offer the Units initially at the offering price specified above. After a reasonable effort has been made to sell all of the Units at the prices specified, the Underwriters may subsequently reduce the selling prices to investors from time to time in order to sell any of the Units remaining unsold. Any such reduction will not affect the proceeds received by the Corporation. See "*Plan of Distribution*".

The head office and registered office of BioExx is located at 219 Dufferin Street, Suite 100B, Toronto, Ontario, M6K 3J1.

TABLE OF CONTENTS

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from BioExx, at its offices located at 219 Dufferin Street, Suite 100B, Toronto, Ontario, M6K 3J1, telephone: 416-588-4442 or by faxing a written request to 416-588-1999 and are also available electronically at www.sedar.com.

Except to the extent that their contents are modified or superseded by a statement contained in this short form prospectus or in any other subsequently filed document that is also incorporated by reference herein, the following documents of BioExx, which have been filed with securities commissions or similar authorities in Canada, are specifically incorporated by reference into and form an integral part of this short form prospectus:

(a) the annual information form of BioExx dated March 7, 2011 for the year-ended December 31, 2010 (the "**AIF**");

(b) the audited consolidated financial statements of BioExx and the notes thereto as at and for the years ended December 31, 2010 and 2009, together with the report of the auditors thereon;

(c) the management's discussion and analysis of the financial condition and results of operations of BioExx for the year-ended December 31, 2010;

(d) the unaudited consolidated financial statements of BioExx and the notes thereto as at and for the three months ended March 31, 2011;

(e) management's discussion and analysis of the financial condition and results of operations of BioExx for the three months ended March 31, 2011;

(f) the information circular of BioExx dated May 10, 2011 relating to the annual and special meeting of shareholders held on June 14, 2011;

(g) the material change report of BioExx dated June 24, 2011 concerning the commencement of commercial protein operations at BioExx's Saskatoon plant; and

(h) the material change report of BioExx dated June 24, 2011 concerning the announcement of the Offering.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus which are filed by BioExx with the securities commissions or similar authorities in any of the provinces and territories of Canada after the date of this short form prospectus and prior to the termination of this Offering shall be deemed to be incorporated by reference in this short form prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document which is also, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed to be an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an

untrue statement of material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This short form prospectus and the documents incorporated by reference herein contain forward-looking statements. When used in this short form prospectus, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “seek”, “propose”, “estimate”, “expect”, “continue” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect BioExx’s current views with respect to future events and are subject to certain risks, uncertainties and assumptions, including, without limitation, those described in this short form prospectus under the heading “Risk Factors” and in the AIF. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in any forward-looking statements, such as the economy, generally, competition in its target markets, the demand for BioExx’s products, the availability of funding, the efficacy of its technology, and the anticipated costs of BioExx’s plant construction and operation. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this short form prospectus as intended, planned, anticipated, believed, estimated or expected and such forward-looking statements included in this short form prospectus or the documents incorporated by reference herein should not be unduly relied upon. These statements speak only as of the date of this short form prospectus or as of the date specified in the documents incorporated by reference herein, as the case may be.

Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this short form prospectus and the documents incorporated by reference herein are expressly qualified by this cautionary statement. Neither BioExx, nor any of the Underwriters undertakes any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities laws.

BIOEXX SPECIALTY PROTEINS LTD.

The Corporation

BioExx was incorporated and organized under the *Business Corporations Act* (Ontario) as a Capital Pool Company pursuant to the policies of the TSX Venture Exchange (the “**TSX Venture**”) on March 16, 2006 under the name Lifesciences Capital Corp. The common shares of the Corporation were listed and posted for trading on the TSX Venture on September 1, 2006. On May 9, 2007, the Corporation completed its Qualifying Transaction (as that term is defined by the policies of the TSX Venture) with Bio-Extraction Ltd., a private Ontario company, and the name of the Corporation was changed to Bio-Extraction Inc. On May 16, 2007, following completion of its Qualifying Transaction, the common shares of the Corporation were posted for trading on the TSX Venture under the symbol “BXI”. On December 24, 2009, the Corporation filed articles of amendment and changed its name to BioExx Specialty Proteins Ltd. On January 22, 2010 the Corporation graduated to the TSX, where its common shares continue to trade under the “BXI” symbol.

The head office and registered office of BioExx is located at 219 Dufferin Street, Suite 100B, Toronto, Ontario, M6K 3J1.

Recent Developments

The following is a summary of the significant developments in the operations and affairs of the Corporation which have occurred since December 30, 2010 and which have not been described elsewhere in this short form prospectus or in the documents incorporated by reference herein.

On June 6, 2011, the Corporation announced the commencement of commercial food-grade protein operations at its Saskatoon facility, moving from a more internally focussed start-up mode, to a more externally focussed production mode, with a view to commencing sales and shipments of its canola proteins to customers, as it works to increase production volumes at the facility. The initial focus of short-term production and sales will be on canola protein produced to purity levels of 80% or above, for use in various food and beverage products, such as protein shakes, bars, baked goods, confectionaries, meat analogues, and meal replacers, as well as in cosmetic and industrial products.

Description of the Business

This description should be read in conjunction with the AIF which is available electronically at **www.sedar.com**.

The Corporation currently produces two primary products for commercial sale, canola oil and canola meal, and is in the process of expanding this product line to include highly concentrated forms of canola protein. See "Recent Developments".

Canola Oil

The primary market for canola oil is human food use. Canola oil is popularly used as a cooking oil. It is also used as a product ingredient in many food processing applications, including salad dressings, toppings and spreads. There is also a smaller market for lower grade canola oils in the manufacture of bio-diesel. The Corporation sells its oils through distributors who re-sell to canola oil refiners, who refine and package the oil for sale. At its most common product specifications, termed crude oil or super de-gummed oil, canola oil is considered a commodity, and its price fluctuates with the price of the commodity in actively traded markets.

Canola Meal

The primary market for canola meal is in animal feed, for use in providing protein, energy, and fibre in livestock diets. The Corporation sells its meal through a distributor, who re-sells to companies which blend and manufacture animal feeds. Canola meal is also considered a commodity product and its price fluctuates with the price of the commodity in actively traded markets.

Historical Revenue Mix

The Corporation commenced commercial production of canola oil and canola meal in April 2009. Up to its most recently completed quarter at March 31, 2011, the Corporation had sold $5,990,000 of canola oil and $2,760,000 of canola meal.

Canola Protein

Canola protein has, in the view of the Corporation, an attractive profile for its intended markets. Measured by protein efficiency ratio (units of weight gain per unit of protein consumed), canola protein scores considerably higher than other plant proteins such as pea and soy, and is in the range of high-end animal proteins such as casein (milk protein), minced beef, and egg white. Notably, these measures are somewhat generic in portraying a protein class, and are not specific to the particular protein products produced by the Corporation, which are discussed in more detail below.

The Corporation is expanding its product line presently to include the production of canola protein isolates. See "Recent Developments". A protein isolate is generally a protein produced at 80-90% or higher purity, with a primary market focus on human food ingredients markets, including usage as an additive in products such as baked goods, confectionaries, sauces and dressings, vegetarian foods, packaged and processed meats, fruit juices, sports drinks, energy and protein bar, and products for infant and child nutrition as well as therapeutic and clinical nutrition. There are additional non-food applications for protein isolates in cosmetics and industrial products.

The Corporation's planned protein isolate products are:

Advantexx80™ - a protein isolate from canola seed, at approximately 80% purity, for use in human food products such as bakery products, meat products, vegetarian food products and meat analogues, nutritional products and protein bars, as well as cosmetics and industrial products.

Isolexx™ - a protein isolate from canola seed, at approximately 90% purity, for use in human food products such as bakery products, meat products, vegetarian food products and meat analogues, nutritional products and protein bars, as well as cosmetics and industrial products..

Vitalexx™ - a hydrolyzed protein extract from canola seed, for use in human food products such as nutritional beverages (protein fortified soft drinks, fruit juices, high protein drinks), health food applications for improved absorption and digestibility, nutritional products and protein bars, and infant formula.

The Corporation has produced all of these protein products at pilot scales, and has also produced limited quantities in its Saskatoon plant. Testing undertaken by the Corporation, independent laboratories as well as potential customers has validated the quality and characteristics of the Corporation's protein products. The Corporation has compared the protein produced in its pilot program to other commercial food-grade protein sources using the standard amino acid scoring method developed by the United Nations Food and Agriculture Organization of the United Nations, as a measure of the nutritional completeness of a protein for human consumption. In these comparisons, Isolexx™ and Vitalexx™ both score higher than pea protein and soy protein, approximately on par with whey protein and sodium caseinate (milk protein), but lower than egg protein.

The production of these food-grade canola proteins from a commercial facility of the scale contemplated would be a "first of its kind" event. Conventional canola processing facilities generally use methods which expose the canola to relatively high temperatures, thereby causing damage to the resident proteins, and as such generally produce only canola oil and canola meal.

Other Protein Products

The Corporation's technologies are applicable to a range of other agricultural products, including oilseeds such as soy and flax, and potentially also to micro-algae. Once canola protein production is commercialized and ramped up in Saskatoon, the Corporation will consider extending its research and development efforts to include the separation of oil and protein, as well as other nutritional ingredients and/or bio-active compounds, from these other inputs in addition to canola, with a view to commercializing additional products, expanding its markets, and diversifying its product mix.

Production Facilities

The Corporation operates a canola processing facility in Saskatoon, Saskatchewan with a capacity of up to 40,000 metric tonnes per year of canola seed. The Saskatoon facility has been in trial operation since April 2009, producing expeller-grade crude and super-degummed canola oil, as well as canola meal. The technologies and production methodology employed in this operation are mostly conventional, having been widely used in the canola processing industry for many years, with the exception that the Corporation's facility was primarily designed to operate at lower pressing temperatures than a conventional pressing facility. The Corporation is presently adding capital equipment and process infrastructure to the Saskatoon facility, bringing commercial protein production on stream, and working to increase protein production volumes. The Corporation's Saskatoon facility is based on its patented and patent-pending technologies, which allow for the extraction of oil and active ingredients, such as proteins, from canola and other feedstocks at relatively low temperatures. Conventional canola oil extraction processes generally expose the canola seeds to relatively high temperatures, which cause damage to the proteins resident in the seed. As a result, after the extraction of the oil, the by-product of this industry has traditionally been limited to canola meal, a product of relatively low value and generally sold as animal (livestock) feed. By extracting the oil from canola at lower temperatures, the Corporation's technologies minimize damage to the resident protein, and thereby enable the opportunity to then separate higher value proteins from the meal, for sale to higher value markets, such as for human food. Protein production at the Saskatoon facility is expected to increase gradually towards full production capacity over the balance of the year and into 2012.

The Corporation's Saskatoon plant has been awarded certification for ISO 22000:2005, which incorporates the principles of both HACCP and GMP, by NSF International Inc. ("**NSF**"). This certification is required to allow BioExx to sell its conforming protein products into human food markets. As described by NSF on its website, the "International Organization for Standardization ("**ISO**") 22000:2005 Standard: Requirements for a Food Safety Management System", demonstrates an organization's commitment to food safety, and provides a means to demonstrate that an organization is taking the necessary steps to control food safety hazards. The standard has three parts including: Good Manufacturing Practices ("**GMP**"); Hazard Analysis Critical Control Points ("**HACCP**") principles; and management system requirements. ISO 22000:2005 applies to all organizations, regardless of their size, that impact the food chain. This includes ingredient suppliers, equipment manufacturers, package suppliers, service providers, farmers, food processors, and catering and retailing organizations. NSF Food Safety Auditors check conformance with internationally recognized Codex General Principles of Food Hygiene, and Codex Codes of Practice. NSF International Food Safety Auditors work with companies to ensure that there are effective systems in place for sanitary food processing. NSF International Food Safety Auditors are also qualified to verify compliance with U.S. FDA and USDA regulations for Good Manufacturing Practices and Sanitation Standard Operating Procedures.

Specialized Skill and Knowledge

Insofar as the Corporation is developing and deploying "first-of-its-kind" production technologies, a great deal of specialized skill and knowledge is required, particularly in the fields of chemistry, food and feed science, protein, and process engineering. This skill and knowledge is available to the Corporation internally, and through its various consultants and third-party research and development partners. The Corporation endeavours to exercise a high level of care and diligence in the protection of its proprietary information, both internally and externally.

Competitive Conditions

The competitive conditions faced by the Corporation vary, depending on the particular industry and product, most particularly with respect to oil and meal products versus protein products.

As noted earlier, canola oil and canola meal are considered commodity products, and are traded in organized and active markets. In such markets, the participants are generally considered to be free to purchase and sell inputs and outputs as required, subject to the prevailing prices of the commodities at the time. Market participants are generally price takers, as the Corporation is in regards to its purchases of canola seed for processing and the sale of its resulting canola oil and canola meal products. The Corporation sells its oil and meal primarily in domestic markets.

The primary metric used to track the economics in oilseed processing markets is the crush margin calculation, which is notionally computed on a per tonne basis as being oil revenue plus meal revenue minus seed costs. Based upon data provided by the Canola Council of Canada, crush margins have been increasing, with 5 year averages being higher than 10 year averages which are higher than 20 year averages and so forth. While, as in all commodity markets, there are interim and periodic fluctuations on a short-term basis, the long-term trend has been towards increasing crush margins and therefore improved profitability in oilseed processing.

Canola protein isolates are a new product, which has not been commercially available to date, and as such there is no developed market for them. However, to the extent that these proteins are intended to serve as substitutes for existing products, such as soy protein, whey protein, milk protein (caseins), and egg protein, there is a substantial global market, estimated by Global Strategy Analysts Inc. in 2008 to be approximately US$16 billion annually in food ingredients applications and projected to reach US$25 billion by 2015.

Within this market, there is a trend towards the substitution of plant proteins (such as from soy and canola) for animal proteins (such as from livestock). This trend is being driven by allergenicity, vegetarianism, food safety (e.g., BSE, or "mad cow" disease), technology, economics, and sustainability. The economic and sustainability drivers are based on the fact that animals are inefficient converters of plant proteins into animal proteins, as measured by inputs versus outputs (e.g., it is estimated to take some 8 kg of plant grains and proteins to create 1 kg of beef protein, plus significant additional land and water usage). With appropriate technology, management believes that economics are directed favourably therefore to plant proteins in the presence of an ability to separate those proteins with acceptable cost, quality and yield.

The competitive position of canola protein, and hence the Corporation's products, in these markets is a function of its price performance profile relative to incumbent products. Testing of BioExx's products to date, undertaken by the Corporation, by independent laboratories, and by potential customers, indicates that BioExx's protein products are by most measures superior to soy proteins, and in certain metrics on par with or superior to the caseins, whey, and egg proteins which presently dominate the high-end of global protein markets. To be competitive, the Corporation must therefore price its products in a manner which incentivizes the desired substitution of their use by food and beverage manufacturers, given the relative attributes of the Corporation's proteins versus the incumbents. In light of its present small size and small processing capacity, BioExx's products will be initially targeted towards smaller and more niche oriented end-uses, rather than mass market products which would demand volumes in excess of the Corporation's capacity to supply.

Input Components

The primary raw material for the Corporation's products is canola. The Corporation has a 10 year contract with Viterra Inc. to supply canola to the Saskatoon facility (a copy of which is available electronically at www.sedar.com). At 40,000 tonnes per year, the Corporation's needs are very small in the context of available supply in Canada. For example in the 2009 crop year, approximately 11.8 million tonnes of canola was grown in Canada. Canola is a commodity crop, whose prices are determined in actively traded markets on a real time basis.

Other key inputs to the Corporation's products include labour, energy (electricity and gas), solvents, enzymes, and water. Each of these has, to date, been available in sufficient quantities and in competitive markets, and the Corporation anticipates that this situation will continue in a manner sufficient to fulfill its near term business objectives.

Intangible Properties

The Corporation has 12 patents and patents-pending on its various technologies. The Corporation also has four claimed trademarks.

The Corporation is defending a claim by Allmax Nutrition Inc. for trademark infringement relating to the Corporation's Isolexx trademark. The Corporation denies the allegations and as such has filed a counterclaim. The Corporation has not recorded any provision for this contingency in its financial statements, since the likelihood and amount of any potential gain or loss cannot be reasonably estimated. Management does not expect any gain or loss to be material.

Economic Dependence

As noted above, the Corporation purchases its entire canola feedstock input from Viterra Inc. under a long term supply agreement. However, given the commodity nature of canola seed and the substantial supply available in competitive markets, the Corporation believes that it could if required find an alternate source of supply without any material long-term impact to its business.

The Corporation's commodity outputs, canola oil and canola meal, are primarily sold through a distributor, Shafer Commodities Inc., under a long term contract. A secondary oil distribution agreement is in place with Sunora Foods Limited, of Calgary, Alberta. As is the case with the canola seed input, these products are commodities and accordingly the Corporation believes it could find alternate distributors without any material long-term impact to its business in the event that this was required.

With respect to protein, 70% of the Corporation's protein products from its Saskatoon plant are currently contracted to be sold through a distributor, Helm AG, under a long term distribution agreement. Provided Helm AG meets this threshold, it has exclusive rights to distribute proteins from the Saskatoon plant in Europe, and a conditional right of first offer on the distribution of proteins from future BioExx production facilities. Headquartered in Hamburg, Germany, Helm AG is a century old company with offices worldwide including Europe, Africa, Asia and North America, and 2010 annual sales of just under €8 billion. Helm AG is a major distributor of animal and human nutrition products, as well as chemicals, pharmaceuticals, polymers, crop protection, and fertilizers. Given that it is expected that the economics of the Corporation's business will be materially oriented towards its protein products once available, the Corporation has a dependency on its distribution network in this regard. In order to attempt to mitigate this dependency, the Corporation has retained 30% of its forecasted Saskatoon production for sale directly to end users and/or through other distributors. The Corporation believes that the presence of other sales and distribution relationships beyond Helm AG may provide an opportunity to migrate the same should it become necessary. Although the impact of a change in distributor could be significant in the short run, provided the Corporation is successful in finding an alternate path to market for the its production, the impact should not be material over the longer term.

It should be noted that the above analysis is specific to the Corporation's Saskatoon facility. The Corporation intends to build additional processing facilities, and has announced its intention to build a facility in Minot, North Dakota. As any such additional facilities come on line, the foregoing dependencies would be reduced provided that the counterparties to supply and distribution contracts are other than those discussed above.

Environmental Protection

The Corporation has invested considerable capital through the course of its development in the design of systems and processes to ensure that its plants can operate within the context of environmental regulations, and in particular with respect to its existing Saskatoon plant. However, these regulations will vary in each jurisdiction in which the Corporation operates plants, and as such the Corporation will need to be compliant in each such jurisdiction. The Corporation anticipates being able to be compliant as required, without material additional investment or changes to its process, although there can be no assurance of this as such regulations change over time.

Employees

BioExx currently has 10 employees and its wholly owned subsidiary, BioExx Proteins of Saskatoon Ltd., which owns and operates the Saskatoon facility, has 54 employees. The subsidiary expects to hire approximately 8 more employees in connection with the planned ramp-up of its protein production in Saskatoon. The other subsidiaries have no employees.

Foreign Operations

The Corporation presently has no foreign operations except that one of its subsidiaries, MGA Holdings Limited, which is domiciled in the Channel Islands, holds two of the issued patents. However, the Corporation has announced its intention to construct a canola processing facility which is twice the size of its Saskatoon facility, in Minot, North Dakota. If this facility is constructed and operations ramp up to full capacity, it may constitute the majority of the Corporation's anticipated production capacity, revenue, and profits. Should the Corporation elect to construct additional facilities outside of Canada after North Dakota, as is its intention, its reliance on foreign operations would concomitantly increase.

DETAILS OF THE OFFERING

The Offering consists of 20,000,000 Units and up to 23,000,000 Units in the case of the exercise of the Over-Allotment Option, in each case at a price of $1.00 per Unit. Each Unit will be comprised of one

Common Share and one-half of one Warrant. See "Description of Share Capital" for the terms of the Common Shares.

Terms of Warrants

Warrants comprise part of the Units offered for sale under the Offering, and Warrants may also be issued as Additional Warrants pursuant to the Over-Allotment Option. Each Warrant will entitle the holder thereof to acquire one Common Share at an exercise price of $1.50 per Common Share for a period expiring the earlier of: (a) 36 months following the Closing Date; and (b) 10 days from the date of the notice from the Corporation to purchasers of Units that the 20 day volume weighted average trading price of the Corporation's Common Shares on the TSX (or such other stock exchange as the Common Shares may then be listed) is greater than $2.25 (the "**Warrant Expiry Time**")

The terms governing the Warrants will be set out in a warrant indenture (the "**Warrant Indenture**") to be entered into between Equity Financial Trust Company, as trustee in respect of the Warrants (the "**Warrant Agent**"), and will include, among other things, provisions for the appropriate adjustment of the class and number of the Common Shares issuable pursuant to any exercise of the Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, any payment of stock dividends to holders of all of the Common Shares, any capital reorganization of the Company, or any merger, consolidation or amalgamation of the Company with another corporation or entity, as well as customary amendment provisions.

The Warrants may not be exercised in the United States or by, or on behalf or for the benefit of, a person in the United States unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available to the holder and the holder has furnished an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect.

Holders of Warrants do not as such have any voting right or other right attached to Common Shares until the Warrants are duly exercised as provided for in the certificate representing the Warrants (if applicable) and in the Warrant Indenture.

DESCRIPTION OF SHARE CAPITAL

BioExx is authorized to issue an unlimited number of Common Shares. As at the close of business on June 24, 2011, the Corporation has 192,331,158 Common Shares issued and outstanding as fully-paid and non-assessable Common Shares in the capital stock of the Corporation. The holders of Common Shares are entitled to receive notice of and attend all meetings of shareholders with each Common Share held entitling the holder to one vote on any resolution to be passed at such shareholder meetings. The holders of Common Shares are entitled to dividends if, as and when declared by the board of directors of the Corporation. The Common Shares are entitled upon liquidation, dissolution or winding up of the Corporation to receive the remaining assets of the Corporation available for distribution to shareholders. BioExx's constating documents contain no restrictions on the right to hold or vote the Common Shares. The Common Shares being offered pursuant to this short form prospectus are common shares in the capital stock of the Corporation.

The Warrants offered pursuant to this short form prospectus are exercisable into Common Shares at a purchase price of $1.50 per Warrant until the Warrant Expiry Time.

CONSOLIDATED CAPITALIZATION

The following table represents the consolidated capitalization of the Corporation as at March 31, 2011 and as at June 24, 2011, in each case before and after giving effect to the completion of the Offering:

Designation of Security	Outstanding on March 31, 2011	Outstanding on March 31, 2011 after giving effect to the Offering	Outstanding on June 24, 2011	As at June 24, 2011, after giving effect to the Offering
Share Capital				
Common Shares	191,812,825	211,812,825(1)	192,331,158	212,331,158(1)
Options	12,095,564	12,095,564	11,897,606	11,897,606
Warrants	Nil	10,000,000(1)	Nil	10,000,000(1)
Fully Diluted	203,908,389	233,908,389	204,228,764	234,228,764
Long Term Debt	6,478,814	6,478,814	6,456,559	6,456,559

Notes:

(1) If the Over-Allotment Option is exercised in full this number will increase by an additional 3,000,000 Common Shares and 1,500,000 Warrants.

PRIOR SALES

During the 12 months preceding the date of this short form prospectus, BioExx has issued the following common shares and the following securities convertible into common shares at the following prices:

Date of Issue	Number of Securities	Issue Price
August 24, 2010	15,400,000 Common Shares	$1.95 per Common Share
September 2, 2010	2,310,000 Common Shares	$1.95 per Common Share
TOTAL	17,710,000 Common Shares	

The following incentive stock options were granted during the 12 months preceding the date of this Prospectus pursuant to the Corporation's stock option plan:

Date of Issue	Number of Securities	Exercise Price	Expiry Date
July 22, 2010	150,000 Stock Options	$1.94 per Option	July 22, 2015
August 13, 2010	5,000 Stock Options	$2.05 per Option	January 13, 2015
November 17, 2010	600,000 Stock Options	$2.53 per Option	November 17, 2015
January 3, 2011	64,000 Stock Options	$2.35 per Option	January 3, 2016
January 4, 2011	90,000 Stock Options	$2.39 per Option	January 4, 2016
January 5, 2011	200,000 Stock Options	$2.45 per Option	January 5, 2016
February 7, 2011	82,000 Stock Options	$2.26 per Option	February 7, 2016
April 18, 2011	280,000 Stock Options	$1.72 per Option	April 18, 2016
May 11, 2011	43,500 Stock Options	$1.73 per Option	May 11, 2016
TOTAL	1,514,500 Stock Options		

PRICE RANGE AND TRADING VOLUME OF SECURITIES

The Common Shares are listed and posted for trading on the TSX under the symbol "BXI". The following table sets forth certain trading information in respect of the Common Shares on a monthly basis for the 12 months preceding the date of this short form prospectus, as reported by the TSX, as the case may be:

Month	High ($)	Low ($)	Volume
May 2010	1.79	1.34	26,277,975
June 2010	1.74	1.34	20,255,558
July 2010	2.06	1.60	18,531,001

Month	High ($)	Low ($)	Volume
August 2010	2.24	1.87	29,206,773
September 2010	2.69	1.99	36,844,544
October 2010	2.93	2.32	23,593,244
November 2010	2.84	2.13	22,700,053
December 2010	2.60	1.91	19,869,560
January 2011	2.71	2.08	18,387,702
February 2011	2.34	2.01	15,519,263
March 2011	2.22	1.60	22,802,149
April 2011	2.12	1.62	13,869,677
May 2011	2.00	1.64	10,782,600
June 2011 (1)	1.77	0.93	26,751,498

(1) Up to and including June 24, 2011.

On June 13, 2011, the last trading day prior to the announcement of the Offering, the closing price of the Common Shares on the TSX was $1.06.

USE OF PROCEEDS

The estimated net proceeds to be received by the Corporation, after deducting the estimated expenses of the Offering of $250,000 and the Underwriters' fee of $1,200,000 (or $1,380,000 assuming the Over-Allotment Option is exercised in full), will be $18,550,000 (or $21,370,000 assuming the Over-Allotment option is exercised in full).

The net proceeds of the Offering are intended to be used for further capital and operating expenditures at the Corporation's Saskatoon plant, for additional engineering and project development expenditures on its proposed North Dakota plant, and for working capital, research and development, and general corporate purposes.

Management intends to use the net proceeds of the Offering as follows:

Use	Amount
Saskatoon plant capital expenditures and working capital……...	$15,000,000
North Dakota project development costs……………………………………………	$500,000
Research and development…………………………….	$500,000
Capital reserve and general working capital………..	remaining amount

Depending on the continued progress and results of the Saskatoon protein production ramp-up, timing and capital requirements of further capacity build out of the Saskatoon plant, timing of project development activities for the North Dakota project, and the amount of debt capital available to the Corporation, portions of the net proceeds being held as capital reserve may be allocated between Saskatoon and North Dakota. The Corporation will assess progress on its various initiatives in the context of its business objectives and allocate available capital accordingly.

In addition to working capital for plant operations, the net proceeds to be expended on the Saskatoon plant will involve the acquisition of certain assets required for the ramp-up of the plant towards its full protein processing capacity, most notably protein separation processing and related equipment, together with the installation and commissioning thereof. The amounts indicated in the table above are management's estimates of the costs. Generally assets will be acquired directly by the Corporation or a wholly owned subsidiary, but may be pledged to Farm Credit Canada pursuant to the Corporation's existing general security agreement with this lender. In respect of the North Dakota project, expenditures will include further engineering and project development, but will not include capital expenditures on building construction or the acquisition of processing equipment.

As noted above, the allocation of the capital reserve between the above items is subject to prioritization by the Corporation, depending on the respective progress and the timing of the needs of the foregoing items in the context of the Corporation's business objectives.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated June 20, 2011 (the "**Underwriting Agreement**") between BioExx and the Underwriters, BioExx agreed to sell and the Underwriters have agreed to purchase on the closing date, being on or about June 30, 2011, an aggregate of 20,000,000 Units at a price of $1.00 per Unit, payable against delivery of certificates representing the Unit Shares and Warrants. The obligations of the Underwriters under the Underwriting Agreement are several and may be terminated in certain stated circumstances and upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Units if any of the Units are purchased under the Underwriting Agreement. BioExx has agreed to indemnify the Underwriters and their respective affiliates and their respective shareholders, directors, officers, employees, partners, advisors and agents against certain liabilities, including civil liabilities under Canadian provincial securities legislation, or to contribute to any payments the Underwriters may be required to make in respect thereof.

BioExx has granted to the Underwriters the Over-Allotment Option, which may be exercised in whole or in part at the Underwriters' sole discretion, to purchase up to an additional 3,000,000 Units (the "**Over-Allotment Units**") (being 15% of the Units sold under the Offering) at a purchase price of $1.00 per Unit and on the same terms and conditions as the Offering, including up to an additional 1,500,000 Warrants (the "**Additional Warrants**"). The Additional Warrants can be purchased independent of the Over-Allotment Units at a price of $0.09 per Additional Warrant. The Over-Allotment Option is exercisable by the Underwriters at any time and from time to time until 5:00 p.m. (Toronto time) on the 30th day following the Closing Date to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters: (i) to acquire Over-Allotment Units, (ii) to acquire Additional Warrants, or (iii) to acquire any combination of Over-Allotment Units and Additional Warrants, so long as the Over-Allotment Option does not exceed 3,000,000 Unit Shares and 1,500,000 Warrants. In the event that the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' fee and net proceeds to BioExx from this Offering before expenses will be $23,000,000, $1,380,000 and $21,620,000, respectively. This short form prospectus also qualifies both the distribution of the Over-Allotment Option (including the Unit Shares and the Warrant Shares issuable upon the due exercise of the Warrants which, together with such Unit Shares comprise the Over-Allotment Units) and/or the Warrant Shares issuable upon the due exercise of the Additional Warrants which may be issued upon the exercise of the Over-Allotment Option.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is anticipated that definitive certificates representing the Unit Shares and Warrants will be available for delivery at closing of this Offering, which is anticipated to be on June 30, 2011, or such other date as BioExx and the Underwriters may agree, but in any event no later than July 15, 2011. A purchaser who acquires Over-Allotment Units and/or Additional Warrants forming part of the Over-Allotment Option acquires such Over-Allotment Units and/or such Additional Warrants under this short form prospectus, regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

BioExx has agreed that it will not issue or sell any Common Shares or securities convertible or exercisable into Common Shares for a period of 90 days following the closing of the Offering, except in limited circumstances, without the prior consent of Canaccord Genuity Corp., as lead underwriter, such consent not to be unreasonably withheld.

This Offering is being made by way of short form prospectus in all of the provinces of Canada, other than Quebec. BioExx has agreed to pay the Underwriters a fee equal to 6% of the gross proceeds raised pursuant to this Offering. Concurrently with this Offering, the Units may be offered and sold to residents of the United States in reliance on applicable private placement exemptions. On the Closing Date, the Unit Shares and Warrants sold under the Offering (other than in respect of Units sold to subscribers in the United States) will be available for delivery in book based form through CDS or its nominee and will be deposited with CDS. A subscriber for Units, other than subscribers in the United States, will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the Common Shares are purchased. Certificates representing Unit Shares and Warrants sold to purchasers in the United States will be in physical form and bear applicable United States restrictive legends.

The price of the Units was determined by negotiation between BioExx and Canaccord Genuity Corp., as lead underwriter, on behalf of the Underwriters.

The Underwriters propose to offer the Units initially at the public offering price on the cover page of this short form prospectus. After the Underwriters have made a reasonable effort to sell all of the Units offered by this short form prospectus at the price specified herein, the offering price may be decreased, and further changed from time to time to an amount not greater than the offering price specified herein and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Units is less than the gross proceeds paid by the Underwriters to BioExx.

Pursuant to policy statements of the Ontario Securities Commission, the Underwriters may not, throughout the period of distribution, bid for or purchase Units. The foregoing restriction is subject to exemptions, on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Units. The exceptions include a bid or purchase permitted under the by-laws and rules of the TSX relating to market stabilization and passive market-making activities and a bid or purchase made for and on behalf of a customer where the bid was not solicited during the period of distribution. Under the first-mentioned exception, in connection with this Offering, the Underwriters may effect transactions which stabilize or maintain the market price of the Units at levels other than those which might prevail in the open market. Those transactions, if commenced, may be discontinued at any time.

BioExx has received conditional approval to list the Unit Shares (together with any Warrant Shares which may be issued upon the due exercise of the Warrants) being offered pursuant to the Offering and the Unit Shares (together with any Warrant Shares which may be issued upon exercise of the Warrants or Additional Warrants) issued pursuant to any exercise of the Over-Allotment Option on the TSX. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX on or before September 19, 2011.

ELIGIBILITY FOR INVESTMENT

In the opinion of Cummings Cooper Schusheim Berliner LLP, tax counsel to the Corporation, and Goodmans LLP, counsel to the Underwriters, based on the current provisions of the Tax Act and provided the Common Shares are listed on the TSX on the Closing Date, the Unit Shares and Warrants comprising the Units on the Closing Date will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts ("**TFSAs**", and collectively "**Deferred Income Plans**"), provided that, in the case of Warrants, the Corporation is not a "connected person" under the Deferred Income Plan.

Notwithstanding that the Unit Shares and Warrants comprising the Units will be a qualified investment for a TFSA, the holder of a TFSA will be subject to a penalty tax on the Unit Shares or Warrants held in the TFSA if such securities are a "prohibited investment" for the purposes of section 207.01 of the Tax Act. Provided that the holder of a TFSA does not hold a "significant interest" (as defined in the Tax Act) in the Corporation or any corporation, partnership or trust that does not deal at arm's length with the Corporation for the purposes of the Tax Act, and provided that such holder deals at arm's length with the Corporation for the purposes of the Tax Act, the Units will not be a prohibited investment for a trust governed by the TFSA. Tax Proposals (as defined below) contain similar rules with respect to RRSPs and RRIFs.

In the 2011 federal budget released on June 6, 2011, the Minister of Finance (Canada) introduced proposed amendments to the Tax Act which had originally been proposed in the federal budget of March 22, 2011, relating to investments that may be made by RRSPs and RRIFs (the "**RRSP/RRIF Proposals**"). The RRSP/RRIF Proposals will extend the "prohibited investment" rules which apply to TFSAs, to RRSPs and to RRIFs for the period commencing after March 22, 2011. Holders of a TFSA and annuitants of an RRSP or RRIF should consult their own tax advisors as to whether the Unit Shares and Warrants comprising the Unites would be a "prohibited investment" in their particular circumstances.

Holders should consult their own tax advisors as to whether the Unit Shares and Warrants comprising the Units would be a "prohibited investment" in their particular circumstances.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Cummings Cooper Schusheim Berliner LLP, tax counsel to the Corporation, and Goodmans LLP, counsel to the Underwriters, the following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a purchaser of Common Shares and Warrants comprising the Units acquired pursuant to the Offering. This summary is applicable only to a purchaser who, at all relevant times, deals at arm's length and is not affiliated with the Corporation and the Agents, and who will acquire and hold such Common Shares and Warrants as capital property (each, a "**Holder**"), all within the meaning of the Tax Act. Any Common Shares and Warrants will generally be considered to be capital property to a Holder unless the Holder holds such securities in the course of carrying on a business or has acquired them in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a holder of Common Shares or Warrants comprising the Units (i) that is a "financial institution", as defined in the Tax Act for purposes of the mark-to-market property rules; (ii) an interest in which is or would constitute a "tax shelter investment" as defined in the Tax Act; (iii) that is a "specified financial institution" as defined in the Tax Act; or (iv) that reports its Canadian tax results in a currency other than the Canadian currency. Such holders should consult their own tax advisors with respect to an investment in Common Shares and Warrants comprising the Units.

This summary is based upon the current provisions of the Tax Act, specific proposals to amend the Tax Act (the "**Tax Proposals**") which have been announced by or on behalf the Minister of Finance (Canada) prior to the date hereof, and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency. This summary assumes that the Tax Proposals will be enacted in the form proposed and does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed herein. No assurances can be given that such Tax Proposals will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in the Units and is not intended to be, nor should it be construed to be, legal or income tax advice to any particular Holder. Holders are urged to consult their own income tax advisors with respect to the tax consequences applicable to them based on their own particular circumstances.

Residents of Canada

This portion of the summary is applicable to a Holder, who, for the purposes of the Tax Act and any applicable income tax treaty or convention, is resident or deemed to be resident in Canada at all relevant times (each, a "**Resident Holder**"). Certain Resident Holders whose Common Shares might not otherwise qualify as capital property may be entitled to make the irrevocable election provided by subsection 39(4) of the Tax Act to have the Common Shares and every other "Canadian security" (as defined by the Tax Act) owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. The Warrants are not Canadian securities for this purpose. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances.

Allocation of Purchase Price

A Resident Holder will be required to allocate the purchase price of each Unit between the Common Share and the one-half Warrant comprising the Unit on a reasonable basis, in order to determine their respective costs for purposes of the Tax Act. The Corporation estimated the fair value, as of a current date, of each Common Share and each one-half Warrant as $0.955 and $0.045, respectively. Although the Corporation believes such allocation is reasonable, such allocation will not be binding on the Canada Revenue Agency. The adjusted cost base to a Resident Holder of a Common Share acquired hereunder will be determined by averaging the cost of that Common Share with the adjusted cost base (determined immediately before the acquisition of the Common Share) of all other Common Shares held as capital property at that time by the Resident Holder.

Exercise or Expiry of Warrants

A Resident Holder will not realize a gain or loss upon the exercise of a Warrant to acquire a Common Share. Where Warrants are exercised, the Resident Holder's cost of the Common Shares acquired thereby will be equal to the aggregate of the Resident Holder's adjusted cost base of the Warrants so exercised plus the exercise price paid for the Common Shares. The Resident Holder's adjusted cost base of the Common Shares so acquired will be determined by averaging the cost of those Common Shares with the adjusted cost base (determined immediately before the acquisition of the Common Shares) of all other Common Shares held as capital property by such Resident Holder at the time of acquisition. In the event of the expiry of an unexercised Warrant, the Resident Holder will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital losses is discussed in greater detail below under the subheading "Taxation of Capital Gains and Capital Losses".

Disposition of Common Shares and Warrants

A Resident Holder who disposes of or is deemed to have disposed of a Common Share (except to the Corporation or in a tax-deferred transaction) or a Warrant (other than a disposition arising on the exercise or expiry of a Warrant) will generally realize a capital gain (or incur a capital loss) in the year of disposition equal to the amount by which the proceeds of disposition in respect of the Common Share or the Warrant exceed (or are exceeded by) the aggregate of the adjusted cost base of such Common Share or Warrant, as the case may be, and any reasonable expenses associated with the disposition. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Taxation of Capital Gains and Capital Losses".

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder must be included in the Resident Holder's income for the taxation year in which the disposition occurs. Subject to and in accordance with the provisions of the Tax Act, one-half of any capital loss incurred by a Resident Holder (an "**allowable capital loss**") must be used to offset taxable capital gains realized by the Resident Holder in the taxation year of disposition. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be applied to reduce net taxable capital gains realized by the Resident Holder in the three preceding taxation years or in any subsequent year in the circumstances and to the extent provided in the Tax Act. A capital loss realized on the disposition of a Common Share by a Resident Holder that is a corporation may in certain circumstances be reduced by the amount of dividends which have been previously received or deemed to have been received by the Resident Holder on such share.

Similar rules may apply where a corporation is, directly or through a trust or partnership, a member of a partnership or a beneficiary of a trust that owns Common Shares.

Capital gains realized by an individual and certain trusts may result in the individual or trust paying alternative minimum tax under the Tax Act.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax of $6^{2/3}$% on its "aggregate investment income" for the year, which is defined in the Tax Act to include an amount in respect of taxable capital gains.

Taxation of Dividends Received by Resident Holders

Dividends received or deemed to be received on the Common Shares will be included in computing the Resident Holder's income. Dividends (including deemed dividends) received on Common Shares by a Resident Holder who is an individual (and certain trusts) will be included in the Resident Holder's income and be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by an individual from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit for "eligible dividends" properly designated as such by the Corporation. Taxable dividends received by such a Resident Holder may give rise to alternative minimum tax under the Tax Act. Dividends (including deemed dividends) received on Common Shares by a Resident Holder that is a corporation will be included in the Resident Holder's income and will normally be deductible in computing such Resident Holder's taxable income. A Resident Holder that is a "private corporation" (as defined in the Tax Act) or any other corporation resident in Canada and controlled, whether by reason of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), may be liable to pay a $33^{1/3}$% refundable tax under Part IV of the Tax Act on dividends received on the Common Shares to the extent that such dividends are deductible in computing the Resident Holder's taxable income.

Non-Residents of Canada

This portion of the summary is generally applicable to a Holder who, for purposes of the Tax Act and at all relevant times, is neither resident nor deemed to be resident in Canada and does not use or hold, and will not be deemed to use or hold, Common Shares or Warrants in a business carried on in Canada (each, a "**Non-Resident Holder**"). Special considerations, which are not discussed in the summary, may apply to a purchaser under the Offering that is an insurer that carries on an insurance business in Canada and elsewhere, and such purchasers should consult their own advisers.

Dispositions

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Common Share or a Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Common Share or Warrant constitutes "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident. Provided the Common Shares are listed on a designated stock exchange for the purposes of the Tax Act, which currently includes the TSX, at the time of disposition, the Common Shares and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder, unless, at any time during the 60-month period immediately preceding the disposition, (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length, or the Non-Resident Holder together with all such persons, owned 25% or more of the issued Common Shares or any other class or series of shares of the Corporation; and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly, from one or any combination of real or immovable property situated in Canada, Canadian resource properties, timber resource properties (as such terms are defined in the Tax Act), or any option in respect of, or interest in, or for civil law, a right in such properties. Even if a Common Share or Warrant is taxable Canadian property to a Non-Resident Holder, capital gain realized upon the disposition of such Common Share or Warrant may not be subject to tax under the Tax Act if such capital gain is exempt from Canadian tax pursuant to the provisions of an applicable income tax convention. If a Non-Resident Holder to whom Common Shares or Warrants are taxable Canadian property is not exempt from tax under the Tax Act by virtue of a tax treaty, the consequences described under the heading "Residents of Canada" will generally apply.

Taxation of Dividends received by Non-Resident Holders

Dividends paid or credited or deemed to be paid or credited on Common Shares to a Non-Resident Holder will be subject to non-resident withholding tax under the Tax Act at the rate of 25%. Such rate may be reduced under the terms of an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

RISK FACTORS

An investment in the Common Shares is subject to certain risks. Investors should carefully consider the risks described under "Risk Factors" on pages 24 to 29 in the AIF as filed on **www.sedar.com** complemented by the risk factors set out below, before purchasing the common shares offered hereunder.

The Market Price of Securities of BioExx May Be Subject to Significant Fluctuations Which May be Based on Factors Unrelated to its Financial Performance or Prospects.

The trading price of securities of agricultural commodity companies is subject to substantial volatility, and such trading prices have been particularly volatile in recent months. This volatility is often based on factors both related and unrelated to the financial performance or prospects of the companies involved. The market price of the Common Shares could be subject to significant fluctuations in response to variations in BioExx's operating results, financial condition, liquidity and other internal factors. Factors that could affect the market price of the Common Shares that are unrelated to BioExx's performance include domestic and global commodity prices and market perceptions of the attractiveness of particular industries. The price at which the Common Shares will trade cannot be accurately predicted.

Future Sales May Affect the Market Price of the Common Shares

In order to finance future operations, BioExx may raise funds through the issuance of shares or the issuance of debt instruments or other securities convertible into Common Shares. BioExx cannot predict the size of future issuances of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares or the effect, if any, that future issuances and sales of BioExx's securities will have on the market price of the Common Shares.

The Net Proceeds of the Offering May Not Be Used in the Manner Described in this Short Form Prospectus

As set out under "Use of Proceeds" in this short form prospectus, BioExx intends to use the net proceeds of the Offering for further capital and operating expenditures at the Corporation's Saskatoon plant, for additional engineering and project development expenditures on its proposed North Dakota plant, and for working capital, research and development, and general corporate purposes. Although these allocations are based on the current expectation of management of BioExx, there may be circumstances where, for business reasons, a reallocation of funds may be necessary as may be determined at the discretion of BioExx, and there can be no assurance as of the date of this short form prospectus as to how those funds may be reallocated.

The Offering May Result in Dilution of Cash Flow and/or Net Income on a Per Common Share Basis

Although BioExx expects that the net proceeds of the Offering will enhance BioExx's liquidity and there is currently no intention to pay down debt other than the monthly continuing payments in the ordinary course of business under the Corporation's mortgage with Farm Credit Canada, to the extent that a portion of the net proceeds of the Offering remains as cash, or is used to pay down debt with a low interest rate, the Offering may result in dilution to BioExx's cash flow and/or net income on a per Common Share basis.

Credit Risk

Since the commencement of commercial crush operations all of the Corporation's trade receivables were with one customer. As the Corporation continues to ramp up production and revenues at its commercial extraction facility, depending on the specific product mix in sales from time to time, the Corporation may face customer concentrations ranging from 30% to 100% of periodic revenues. The Corporation monitors the credit risk and credit standing of its customers on a regular basis.

Management believes that the credit risk concentration with respect to financial instruments included in assets has been reduced to the extent presently practicable and expects further concentration reductions as production volumes, sales, and product varieties grow.

During the course of development and construction of its facilities, the Corporation is from time to time required to make progress payments to vendors against certain equipment purchases in advance of the delivery of such equipment by the vendors, thus exposing the Corporation to the credit risk of the vendor during the fabrication period. Such purchase structures are common in these situations, and the Corporation looks to mitigate associated risk by selecting large and reputable vendors with strong track records, diversifying purchases across vendors, and managing schedules to minimize fabrication time.

Interest Rate Risk

The Corporation has cash balances and interest-bearing debt. The Corporation's current policy is to invest excess cash in cash accounts or short-term interest-bearing securities issued by Canadian chartered banks. The Corporation periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Corporation has interest bearing debt with rates that fluctuate with the prevailing prime lending rate in Canada from time to time. The Corporation closely monitors interest rates to determine the appropriate course of action to be taken by the Corporation.

Foreign Currency Risk

The Corporation is subject to foreign exchange risk as certain purchases are made in US dollars and Euros. The Corporation is therefore subject to gains and losses due to fluctuations in the US dollar and Euro relative to the Canadian dollar. In future, certain of the Corporation's products may be sold in other countries and such sales may be denominated in foreign currencies, creating exposure to the risk of fluctuations in such currencies, the amount of which cannot be presently quantified.

Price Risk

The Corporation is exposed to price risk in respect of its purchase of canola seed for processing, and its sales of canola oil and canola meal. This exposure is typically quantified in an industry standard margin measurement called Crush Margin. Conceptually, Crush Margin is a representation of the per metric tonne excess of commodity output revenues (from oil and meal sales) less input costs (from seed purchases). Pricing of these commodities is determined in real time in actively trading commodity markets, and as such the Corporation is a "price taker" and has no control or influence over the Crush Margin. When Crush Margins increase, the Corporation's processing margin increases, and when Crush Margins fall, the Corporation's processing margin falls. It is not presently possible to quantify the dollar exposure of the Corporation to Crush Margins, since this is dependent on production volumes and as the Corporation proceeds through the ramp-up of the various phases of its Saskatoon facility, these production volumes will be variable.

The Corporation does not generally hedge the Crush Margin, but rather attempts to lock in seed prices and oil and meal prices within the same future price window to avoid temporal mismatching of pricing of the underlying commodities. In certain cases, the Corporation accepts longer term sales orders where pricing fluctuates with posted market rates, over the term of the order. As part of its commodity price risk management strategy to fix the Crush Margin at the time the order is accepted, the Corporation may purchase the seed required to fulfil the order at a fixed price and will also enter into an offsetting futures contract that is intended to mitigate exposure to the future fluctuation in commodity sales prices under that sales order.

At the time the price of the delivery is fixed, the appropriate amount of the futures contract is unwound and the gain or loss on the physical delivery should be substantially offset by an opposing loss or gain on the futures contract. The nature of such risk management arrangements is that they cannot generally provide perfect protection, but if well implemented, can provide a substantial mitigation of interim pricing risk.

The Corporation's protein products, if and when available, will be priced relative to prices for other similar protein products, such as soy, casein, whey, and egg, which currently dominate the market. Changes in the prices of these other protein products may force the Corporation to change its own prices, and this may have a material impact on the Corporation.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes such as the Corporation's processes, personnel, technology and infrastructure, and from external factors other than credit, interest rate, foreign currency and price risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Corporation's operations.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within the Corporation. This responsibility is supported by the development of Corporation standards for the management of operational risk in the following areas, including but not limited to the following (i) requirements for appropriate segregation of duties, including the independent authorization of transactions; (ii) requirements for the reconciliation and monitoring of transactions; (iii) compliance with regulatory and other legal requirements; (iv) documentation of controls and procedures (v) requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified; (vi) development of contingency plans; (vii) training and professional development (viii) ethical and business standards and policies; and (ix) risk mitigation initiatives.

History of Losses

BioExx has a history of net losses since inception and it expects to continue to incur net losses while it builds its business, and as such it may not achieve or maintain profitability. BioExx's limited operating history makes it difficult to evaluate its business and there is no assurance that BioExx will grow and be profitable.

Acceptance of New Products

Technological change and modifications to manufacturing processes are typical for the markets BioExx serves. The future success of BioExx will depend in large part on it being able to continue to develop and introduce new products and processes in a timely manner that address evolving market requirements.

New product introductions may provide BioExx with a significant competitive advantage because customers make an investment of time in selecting and learning to use new products and are reluctant to switch thereafter. To the extent that BioExx is unable to introduce new and innovative products, it may lose market share to its competitors, which may be difficult to regain. Any inability, for technological or other reasons, to successfully develop and introduce new products could materially damage BioExx's business.

There can be no assurance that BioExx will be able to keep pace with changes in extraction and protein technology research, or that its new products will adequately meet the requirements of the marketplace or achieve market acceptance.

BioExx's technology differs from the technologies which its markets have traditionally employed. While BioExx believes its technology offers a superior and compelling solution, it has not been commercially proven to date, and there can be no assurance that customers will switch to BioExx's products. In order for BioExx's business to be successful, customers must adopt and continue to purchase its products over long periods of time.

Competition

The markets for BioExx's products are highly competitive. BioExx competes with many other suppliers of its primary oil, meal, and protein products. Many of its competitors have greater financial, operational and sales and marketing resources and more experience in research and development than BioExx. These and other companies may have developed or could in the future develop new technologies and new products that compete with BioExx's products or even render its technologies and products obsolete. Competition in BioExx's markets is primarily driven by (i) product performance, features and reliability, (ii) price, (iii) timing of product introductions, (iv) ability to develop, maintain and protect proprietary products and technologies, (v) sales and distribution capabilities, and (vi) environmental issues. If a competitor develops or acquires superior technology or products or more cost-effective alternatives, BioExx's business, financial condition and results of operations could be materially adversely affected.

Foreign Business

BioExx's intended markets are global in scope, and BioExx expects that a significant majority of its revenues may be derived from business outside of Canada. This includes foreign suppliers, foreign customers, foreign joint venture partners, and the operation of production facilities in foreign countries. This makes a substantial portion of BioExx's anticipated revenues subject to risks associated with foreign businesses, including political instability, shipping delays, changes in foreign regulations, fluctuations in foreign currencies, trade restrictions, and other risks of doing business in other countries and on other continents. There can be no assurance that BioExx will be able to operate successfully or profitably, for a sustained period of time, in foreign countries.

Reliance on Key Personnel

BioExx's future success also will depend in large part on the continued service of its key scientific and management personnel, including executive staff, research and development, customer service, marketing and sales staffs. BioExx faces intense competition for these professionals from its competitors, its customers and other companies throughout its industry. BioExx does not generally enter into employment agreements requiring these employees to continue their employment for any period of time. Any failure on BioExx's part to hire, train and retain a sufficient number of qualified professionals could seriously damage its business.

Capital Requirements

Within the next 12 months, BioExx will need to incur additional debt or issue equity in order to fund working capital, capital expenditures and research and development requirements. If BioExx is unable to obtain additional debt or equity financing on acceptable terms or if it is limited with respect to incurring additional debt or issuing equity, it may be unable to continue operations, grow its business, or improve its technology. There can be no assurance that BioExx will be able to raise additional capital to fund its operations.

BioExx may need to raise substantial amounts of money to fund a variety of future activities integral to the development of its business, including but not limited to the following: (i) for research and development to successfully develop additional products, (ii) to file and prosecute patent applications and defend and assert patents to protect its technology, (iii) to retain qualified employees, particularly in light of intense competition for qualified staff, (iv) to build and operate processing plants which generate BioExx revenues and profits, and (v) to acquire new technologies, products or companies.

The incurrence of debt creates additional financial leverage and therefore an increase in the financial risk of BioExx's operations. The sale of additional equity securities will be dilutive to the interests of current equity holders. In addition, there can be no assurance that such additional financing, whether debt or equity, will be available to BioExx or that it will be available on acceptable commercial terms. Any inability to secure such additional financing on appropriate terms could have a materially adverse impact on the business, financial condition, and operating results of BioExx.

Intellectual Property

BioExx's success depends to a significant degree upon its ability to develop, maintain and protect proprietary products and technologies. BioExx files patent applications in the United States, Canada, Europe, and selectively in other foreign countries as part of its strategy to protect its proprietary products and technologies. However, patents provide only limited protection of BioExx's intellectual property. The assertion of patent protection involves complex legal and factual determinations and is therefore uncertain and expensive. BioExx cannot provide assurances that patents will be granted with respect to any of its pending patent applications, that the scope of any of its patents will be sufficiently broad to offer meaningful protection, or that it will develop additional proprietary technologies that are patentable. BioExx's current patents could be successfully challenged, invalidated or circumvented. This could result in BioExx's patent rights failing to create an effective competitive barrier. Losing a significant patent or failing to get a patent to issue from a pending patent application that BioExx considers significant could have a material adverse effect on BioExx's business.

The laws governing the scope of patent coverage in various countries continue to evolve. The laws of some foreign countries may not protect BioExx's intellectual property rights to the same extent as the laws of Canada and the United States. BioExx holds patents only in selected countries. Therefore, third parties may be able to replicate BioExx technologies covered by BioExx's patents in countries in which it does not have patent protection.

Much of BioExx's know-how and technology may not be patentable, though this know-how and technology may constitute valuable trade secrets. BioExx attempts to protect its trade secrets by entering into confidentiality agreements with employees, consultants and third parties. However, these agreements might be breached and, if they are, there may not be an adequate remedy available to BioExx. Also, BioExx's trade secrets might become known to a third party through means other than by breach of its confidentiality agreements, or they could be independently developed by its competitors. If BioExx's trade secrets become known, its business and competitive position could be adversely affected.

Processing and Supply Risks

BioExx's processing business is dependent, among other things, on a stable and long-term supply of the particular solvents and chemicals and other inputs it uses in its processes. The particular solvents and chemicals and other inputs used in particular processes may also change from time to time, and the amounts consumed in these processes may also change. Interruptions in supply may occur due to regulatory changes, environmental laws, or if BioExx is unable to find and secure contractual business relationships with suppliers, or if it is unable to obtain such relationships on appropriate and acceptable commercial terms. This could result in plant shutdowns, production delays and higher processing costs. Higher processing costs will negatively impact profitability if they cannot be passed on to customers. The economics of BioExx's processing facilities are also dependent on a number of other key inputs and their related costs, including processing feedstock, labour and electricity. Any significant interruption or negative change in the economics of the supply chain for key inputs could materially impact the business, financial condition, and operating results of BioExx.

Regulatory Approvals

Certain intended BioExx markets are subject to a high degree of regulation, including pharmaceuticals, nutraceuticals, and food processing. Regulatory changes to these various markets may materially impact BioExx's ability to sell its services to these markets or to do so in a profitable manner. As regulation impacts customer requirements with respect to the particular raw material ingredients used and the specifications with respect to composition of processed materials, BioExx's intended markets could be highly susceptible to changes in regulation. Moreover, these regulations may be different across each country in which BioExx sells or operates. Regulatory changes are a matter over which BioExx can be considered to have no control, and there can be no assurance that regulatory changes applicable to BioExx's customers will not negatively impact the business, financial condition, and operating results of BioExx.

Hazardous Goods and Environmental Matters

Certain BioExx processing operations may involve the use of particular solvents, raw materials, and byproducts which are not generally regarded as safe or which are regarded as hazardous goods. In each jurisdiction in which BioExx operates, there are various regulations and laws governing the use, manufacturing, storage, handling, and disposal of such solvents, raw materials, and byproducts. Although BioExx believes that its safety procedures for handling and disposing of such materials comply with the standards prescribed by applicable laws and regulations, the risk of accidental contamination or injury from these materials cannot be completely eliminated. Should this occur, BioExx could be held liable for any damages that result, and any such liability could exceed its resources. Although BioExx believes that it is in compliance with environmental laws and regulations, there can be no assurance that applicable regulations will not change and that such changes will not require BioExx to incur significant costs for solvent modifications, process modifications, and environmental control facilities. Such costs and changes could have a materially adverse impact on the business, financial condition, and operating results of BioExx.

Commercial Scale Facility Risks

BioExx has never constructed or operated a full commercial-scale extraction and protein facility, and its Saskatoon plant is presently only in the initial stages of starting up protein production operations. While BioExx believes the risks associated with completing and operating Saskatoon and larger facilities are manageable, there can be no assurance that BioExx will be able to successfully construct and operate facilities for extended periods of time with the performance levels and economics required to earn a profit and to meet the needs of its markets and customers. Any inability to do so could have a materially adverse impact on the business, financial condition, and operating results of BioExx.

Legal Proceedings

In the course of BioExx's business, BioExx may from time to time have access to confidential or proprietary information of third parties, or it may independently develop technologies to which third parties purport to have a prior claim, and these parties could bring a claim against BioExx asserting that it has misappropriated their technologies or is otherwise in violation of their proprietary claims. Due to these factors, there remains a constant risk of intellectual property litigation affecting BioExx's business. In the future, BioExx may be made a party to litigation involving intellectual property matters and such actions, if determined adversely, could have a material adverse effect on BioExx.

Research and Development Activities

It is important for BioExx to continue to invest steadily in research and development. However, because BioExx competes in a constantly evolving market, it may pursue research and development projects that do not result in viable commercial products. In addition, BioExx has in the past, and may in the future, terminate research efforts in a particular area after it has made substantial initial funding commitments in that area. Any failure to translate research and development expenditures into successful new product introductions could have an adverse effect on BioExx's business.

Future Growth

BioExx's ability to achieve its expansion objectives and to manage its growth effectively depends upon a variety of factors, including but not limited to BioExx's ability to raise additional capital to fund operations and capital expenditures, to internally develop products, to attract and retain skilled employees, to successfully position and market its products, to identify and acquire technologies and intellectual property rights from third parties, and to protect its existing intellectual property. To accommodate growth and compete effectively, BioExx will be required to improve its information systems, create additional procedures and controls and expand, train, motivate and manage its work force. BioExx's future success will depend in part on the ability of current and future management personnel to operate effectively, both independently and as a group. There can be no assurance that BioExx's personnel, systems, procedures and controls will be adequate to support its future operations.

Business Combinations

BioExx may, in the future, pursue acquisitions of other complementary businesses and technology licensing arrangements. BioExx may also intend to pursue strategic alliances and joint ventures that leverage its core technology and industry experience to expand its product offerings and geographic presence. BioExx has limited experience with respect to acquiring other companies and limited experience with respect to forming collaborations, strategic alliances and joint ventures. If BioExx were to make any acquisitions, it may not be able to integrate these acquisitions successfully into its existing business and could assume unknown or contingent liabilities. Any future acquisitions BioExx makes could also result in large and immediate write-offs or the incurrence of debt and contingent liabilities, any of which could harm BioExx's operating results. Integrating an acquired company also may require management resources that otherwise would be available for ongoing development of BioExx's existing business. BioExx may not identify or complete these transactions in a timely manner, on a cost-effective basis, or at all, and BioExx may not realize the anticipated benefits of any acquisition, technology license or strategic alliance.

Reliance on Third Parties

BioExx relies on third party suppliers for various research and development, engineering, and other professional consulting services. BioExx also relies on third party suppliers for many of its raw materials and product components, in particular those components required for the construction and operation of its extraction facilities. Some of these components may only be available from a single supplier or a limited group of suppliers, either because the market for these components is too small to support multiple suppliers or because the components are protected by patents, in which case there may only be a single supplier for the covered components. BioExx's reliance on outside vendors generally, and a sole supplier or a limited group of suppliers in particular, involves several risks, including: (i) an inability to obtain an adequate supply of required components due to manufacturing capacity constraints, the discontinuance of a product by a third-party manufacturer, an acquisition of the manufacturer by one of BioExx's competitors or other supply constraints, (ii) delays and long lead times in receiving materials from vendors, and (iii) reduced control over quality and pricing of components.

If a sole source third party supplier were to go out of business, BioExx might be unable to find a replacement for such source or it might take several months to be able to make the substance or component internally. If a sole source third party supplier were to be acquired by a competitor, that competitor may elect not to sell to BioExx in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition, and operating results of BioExx..

AUDITORS, REGISTRAR AND TRANSFER AGENT OF BIOEXX

The auditors of BioExx were McGovern, Hurley, Cunningham, LLP, Chartered Accountants, up to and including the year-ended December 31, 2010. Their successor auditors, KPMG LLP, Chartered Accountants, Toronto, Ontario were appointed effective May 27, 2011 and are the current auditors of the Corporation. The registrar and transfer agent for the Common Shares of BioExx is Equity Financial Trust Company at its principal offices in Toronto, Ontario.

INTERESTS OF EXPERTS

Certain legal matters relating to the Common Shares offered hereunder will be passed upon by Chitiz Pathak LLP and Cummings Cooper Schusheim Berliner LLP on behalf of BioExx, and Goodmans LLP on behalf of the Underwriters. As of the date of this short form prospectus, the partners and associates of these firms, each as a group, beneficially own, directly or indirectly, less than 1% of the Common Shares.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

AUDITORS' CONSENT

To the Board of Directors of BioExx Specialty Proteins Ltd.

We have read the short form prospectus of BioExx Specialty Proteins Ltd. ("**BioExx**") dated June 27, 2011 relating to the issue and sale of 20,000,000 Units of BioExx (the "**Prospectus**"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the Prospectus of our report to the shareholders of BioExx on the consolidated balance sheets of BioExx as at December 31, 2010 and 2009 and the consolidated statements of operations, comprehensive loss and deficit and cash flows for the years then ended. Our report is dated March 7, 2011.

"McGovern, Hurley, Cunningham LLP"
Chartered Accountants
Licensed Public Accountants

Dated June 27, 2011
Toronto, Ontario

CERTIFICATE OF THE CORPORATION

Dated: June 27, 2011

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Quebec.

By: (signed) "Chris Carl" Chief Executive Officer	By: (signed) "Chris Schnarr" Chief Financial Officer

On behalf of the Board of Directors of BioExx Specialty Proteins Ltd.

By: (signed) "Peter Lacey" Director	By: (signed) "John MacDonald" Director

CERTIFICATE OF THE UNDERWRITERS

Dated: June 27, 2010

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Quebec.

CANACCORD GENUITY CORP.
By: (signed) "Charles Shin"
Managing Director

SCOTIA CAPITAL INC.

By: (signed) "Dany Beauchemin"
Director

WELLINGTON WEST CAPITAL MARKETS INC.

By: (signed) "Noam Silberstein"
Director

STONECAP SECURITIES INC.

By: (signed) "Charles Pennock"
Managing Director