

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus supplement, together with the short form prospectus base shelf prospectus dated April 1, 2020 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference in this prospectus supplement and the short form base shelf prospectus, as amended or supplemented, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States of America and, subject to certain exceptions, such securities may not be offered, sold, delivered or otherwise disposed of, directly or indirectly, in the United States of America, its territories, possessions, any State of the United States of America or the District of Columbia (collectively, the “United States”) or to, or for the benefit of, a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) (a “U.S. Person”) except in accordance with the Agency Agreement (as herein defined) and pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or to, or for the account or benefit of, any U.S. Person. See “Plan of Distribution”.

Information has been incorporated by reference in this prospectus supplement and in the short form base shelf prospectus dated April 1, 2020 to which it relates, as amended or supplemented, 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 Tetra Bio-Pharma Inc. at 2316 St. Joseph Blvd., Orleans, Ontario, K1C 1E8, telephone (438) 899-7575, and are also available electronically at www.sedar.com.

PROSPECTUS SUPPLEMENT NO. 5 (to the short form base shelf prospectus dated April 1, 2020)

New issue

December 16, 2021



TETRA BIO-PHARMA INC.

Up to \$ 6,800,000
Up to 41,717,792 Units

Price: \$0.163 per Unit

This prospectus supplement (“**Prospectus Supplement**”), together with the short form base shelf prospectus dated April 1, 2020 to which it relates, as amended or supplemented from time to time (the “**Shelf Prospectus**”), qualifies the distribution of up to 41,717,792 units (the “**Units**”) of Tetra Bio-Pharma Inc. (the “**Company**” or “**Tetra**”), at a price of \$0.163 per Unit (the “**Offering Price**”) for aggregate gross proceeds of up to \$6,800,000 (the “**Offering**”). Each Unit consists of one common share in the capital of the Company (each, a “**Unit Share**”) and one full common share purchase warrant of the Company (each, a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one common share in the capital of the Company (each, a “**Warrant Share**”) at an exercise price of \$0.195 per Warrant Share for a period of 48 months following the Closing Date (as defined herein). The Warrants and the Additional Warrants (as defined herein) will be governed by a warrant indenture to be dated as of the Closing Date (as defined herein) (the “**Warrant Indenture**”) between the

Company and Computershare Trust Company of Canada, as warrant agent thereunder. This Prospectus Supplement also qualifies the distribution of the Unit Shares, the Warrants and the Warrant Shares. See “*Description of the Securities being Distributed*” and “*Plan of Distribution*”.

The Units are being offered and sold on a “best efforts” basis pursuant to an agency agreement dated December 16, 2021 (the “**Agency Agreement**”) between the Company, Research Capital Corporation (“**RCC**”) and Echelon Wealth Partners Inc. (“**Echelon**”, and together with RCC, the “**Agents**”) as co-lead agents and joint bookrunners. The Units will be offered in all provinces of Canada (other than Québec) through the Agents or their affiliates who are registered to offer the Units for sale in such provinces and such other registered dealers as may be designated by the Agents. Subject to applicable law, the Agents may offer the Units in such other jurisdictions outside of Canada as agreed between the Company and the Agents. The Units may also be offered for sale in the United States by or through one or more United States registered broker-dealers appointed by the Agents as sub-agents, under certain exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. In connection with the Offering, and subject to applicable laws, the Agents may over-allot or effect transactions that are intended to stabilize or maintain the market price of the Common Shares (as defined herein) at levels other than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

On November 4, 2021, the Company announced the termination of its ATM Program (as defined herein) effective as of November 11, 2021, which allowed the Company to issue and sell up to \$10 million of aggregate amount of Common Shares to the public from time to time, at the Company's discretion. Tetra had not sold any Common Shares under the ATM Program. See “*Recent Developments – Termination of the Company's ATM Program*”.

The Common Shares are listed on the Toronto Stock Exchange (the “**TSX**”) under the symbol “**TBP**”, on the OTCQB® Venture Market under the symbol “**TBPMF**” and on the Frankfurt Stock Exchange under the symbol “**JAM1**”. The closing price of the Common Shares on the TSX on December 1, 2021, the last trading day before the announcement of the Offering, on December 14, 2021, the last trading day before the announcement of the terms of the Offering, and on December 15, 2021, the last trading day before the date of this Prospectus Supplement, was \$0.195, \$0.16 and \$0.16 per Common Share, respectively. The Company has applied to list on the TSX: (a) the Unit Shares included in the Units; (b) the Additional Shares (as defined herein) included in the Additional Units (as defined herein); (c) the Warrant Shares and the Additional Warrant Shares (as defined herein) issuable upon exercise of the Warrants and the Additional Warrants by the holders thereof, respectively; and (d) the Compensation Warrant Shares (as defined herein) issuable upon exercise of the Compensation Warrants (as defined herein) by the holders thereof. Listing will be subject to the Company fulfilling all requirements of the TSX. Moreover, the Company agreed to use commercial reasonable efforts to obtain the necessary approvals to list the Warrants and Additional Warrants on the TSX as soon as reasonably practicable after closing of the Offering. See “*Risk Factors*”.

There is currently no market through which the Warrants may be sold and purchasers may not be able to resell securities purchased under this Prospectus Supplement. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “*Risk Factors*”.

	<u>Price to the Public⁽¹⁾</u>	<u>Agents' Fee⁽²⁾⁽³⁾</u>	<u>Net Proceeds to the Company⁽⁴⁾</u>
Per Unit	\$0.163	\$0.0114	\$0.1516
Total.....	Up to \$6,800,000	Up to \$476,000	Up to \$6,324,000

Notes:

- (1) The Offering Price was determined by arm's length negotiation between the Company and the Agents, with reference to the then prevailing market price of the Common Shares.
- (2) The Company will pay the Agents a cash commission (the “**Agents' Fee**”) equal to 7.0% of the gross proceeds from the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option (as defined herein), if any). As additional consideration for the services rendered in connection with the Offering, the Company will issue to the Agents warrants (the “**Compensation Warrants**”) to purchase that number of Common Shares (the “**Compensation Warrant Shares**”) equal to 7.0% of the number of Units and Additional Units (as defined herein) sold pursuant to the Offering

(including the Over-Allotment Option) at the Offering Price for a period of 36 months following the Closing Date, subject to adjustment in certain circumstances. This Prospectus Supplement also qualifies the distribution of the Compensation Warrants (including in respect of any Additional Units issuable pursuant to any exercise of the Over-Allotment Option). See “*Plan of Distribution*”.

- (3) After deducting the Agents Fee, but before deducting the expenses of the Offering (estimated to be approximately \$400,000), which will be paid from the proceeds of the Offering. If the Over-Allotment Option (as defined herein) is exercised in full, the total gross proceeds of the Offering, the Agents’ Fee and the net proceeds to the Company (before deducting expenses of the Offering) will be up to \$7,820,000, up to \$547,400 and up to \$7,272,600, respectively. This Prospectus Supplement also qualifies the distribution of the Over-Allotment Option and the Additional Units and/or Additional Shares and/or Additional Warrants, as applicable, issuable upon exercise of the Over-Allotment Option.

The Agents have been granted an over-allotment option, exercisable, in whole or in part, at the sole discretion of the Agents, for a period of 30 days from and including the Closing Date, to purchase additional units (the “**Additional Units**”) representing approximately 15% of the aggregate number of Units issued pursuant to the Offering at the Offering Price to cover the Agents’ over-allocation position, if any, and for market stabilization purposes (the “**Over-Allotment Option**”). The Over-Allotment Option may be exercised by the Agents to acquire: (a) Additional Units at the Offering Price; (b) additional Unit Shares (the “**Additional Shares**”) at a price of \$0.1315 per Additional Share; (c) additional Warrants (the “**Additional Warrants**”) at a price of \$0.0315 per Additional Warrant (and each Common Share issuable upon the exercise of an Additional Warrant, an “**Additional Warrant Share**”); or (d) any combination of Additional Units, Additional Shares and/or Additional Warrants (the Additional Units, Additional Shares, Additional Warrants and the Additional Warrant Shares, together, the “**Additional Securities**”), so long as the number of Additional Units, Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 6,257,668 Additional Units, 6,257,668 Additional Shares and 6,257,668 Additional Warrants. This Prospectus Supplement qualifies the grant of the Over-Allotment Option and the distribution of the Additional Securities issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Additional Securities forming part of the Agents’ over-allocation position acquires those Additional Securities under this Prospectus Supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. Where applicable, references to “Offering”, “Units”, “Unit Shares”, “Warrants” and “Warrant Shares” include the Additional Securities issuable upon exercise of the Over-Allotment Option. See “*Plan of Distribution*”.

The following table sets out the maximum number of Units that may be sold by the Company to the Agents pursuant to the Over-Allotment Option and the maximum number of Compensation Warrants issuable to the Agents pursuant to the Offering (assuming the exercise in full of the Over-Allotment Option by the Agents):

	Maximum Number of Securities	Exercise Period	Exercise Price
Over-Allotment Option	6,257,668 Additional Units/	For a period of 30 days from and including the Closing Date	\$0.163 per Additional Unit/
	6,257,668 Additional Shares/		\$0.1315 per Additional Share/
	6,257,668 Additional Warrants		\$0.0315 per Additional Warrant
Compensation Warrants	3,358,282 Compensation Warrants (including in connection with the exercise of the Over-Allotment Option)	For a period of 36 months from the Closing Date	\$0.163 per Compensation Warrant

Tetra is a biopharmaceutical company with a clinical program aimed at bringing novel prescription drugs and treatments to patients and their healthcare providers. Investing in Tetra’s securities is speculative

and involves a high degree of risk. An investment in Tetra's securities should only be undertaken by those persons who can afford the total loss of their investment. Investing in securities of the Company (including the Units) should be considered speculative due to various factors, including the nature of the Company's business. You should carefully review this Prospectus Supplement and the Shelf Prospectus, as amended or supplemented, and the documents incorporated by reference herein and therein, as amended or supplemented, in their entirety, and carefully consider the risk factors described or referenced under the heading "*Risk Factors*" herein, in the Shelf Prospectus and in the documents incorporated by reference herein and therein, as well as the information under the heading "*Cautionary Note Regarding Forward-Looking Statements*" herein and in the Shelf Prospectus. Potential investors are advised to consult their own legal counsel and other professional advisors in order to assess income tax, legal and other aspects of an investment in Tetra.

The Offering is not underwritten or guaranteed by any person. The Agents, as agents, conditionally offer the Units on a "best efforts" basis, subject to prior sale, if, as and when issued by the Company and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under "*Plan of Distribution*", and subject to the approval of certain legal matters on behalf of the Company by Stikeman Elliott LLP and on behalf of the Agents by Fasken Martineau DuMoulin LLP.

There is no minimum amount of funds that must be raised under the Offering. This means that the Company could complete the Offering after raising only a small proportion of the Offering amount set out above.

Subscriptions for the Units will be received subject to rejection or allotment, in whole or in part, and the Agents reserves the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about December 21, 2021, or such other date as may be agreed upon by the Company and the Agents (the "**Closing Date**").

The Company will use the net proceeds of the Offering as described in this Prospectus Supplement. See "*Use of Proceeds*".

Except as may be otherwise agreed by the Company and the Agents or in the case of certain United States purchasers, it is anticipated that the Unit Shares and Warrants will be delivered under the book-based system through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and deposited in electronic form. A purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See "*Plan of Distribution*".

The Units may only be sold in those jurisdictions where offers and sales are permitted. This Prospectus Supplement is not an offer to sell or a solicitation of an offer to buy the Units in any jurisdiction in which it is unlawful. Prospective investors should be aware that the acquisition or disposition of the Units described in this Prospectus Supplement may have tax consequences in Canada or elsewhere, depending on each particular existing or prospective investor's specific circumstances.

Owning the Units may subject you to tax consequences. This Prospectus Supplement may not describe the tax consequences fully. You should read the tax discussion in "*Certain Canadian Federal Income Tax Considerations*" and consult with your own tax advisor with respect to your own particular circumstances. Investors who are not residents of Canada for tax purposes should consult their own tax advisors concerning the consequences to them of acquiring Units under the Offering.

The Company is governed by the *Canada Business Corporations Act*. Tetra's head office and registered office is located at 2316 St. Joseph Blvd., Orleans, Ontario, K1C 1E8, Canada.

TABLE OF CONTENTS – PROSPECTUS SUPPLEMENT

IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING SHELF PROSPECTUS	S-1
INTERPRETATION	S-1
MARKET AND INDUSTRY DATA	S-2
CURRENCY	S-2
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	S-2
DOCUMENTS INCORPORATED BY REFERENCE	S-6
MARKETING MATERIALS	S-7
THE COMPANY	S-7
Summary Description of the Business	S-7
RECENT DEVELOPMENTS	S-8
Management Update on its Growth Strategy	S-8
Bought-Deal Public Offering	S-8
REGULATORY OVERVIEW	S-10
COVID-19 Drug Development	S-12
RISK FACTORS	S-12
Return on investment risk	S-12
No assurance that future financing will be available.....	S-13
Completion of the Offering is subject to conditions.....	S-13
Revenue generation and liquidity.....	S-13
Discretion over the use of the net proceeds from the Offering.....	S-14
Holders of Warrants have no rights as a shareholder	S-14
No current market for Warrants	S-14
No assurance of active or liquid market for the Common Shares	S-15
Volatile market price of the Common Shares	S-15
Dilution	S-15
No paid dividends	S-15
USE OF PROCEEDS	S-16
Proceeds	S-16
Principal Purposes.....	S-16
CONSOLIDATED CAPITALIZATION	S-18
OUTSTANDING SECURITY DATA	S-19
PRIOR SALES	S-20
MARKET FOR SECURITIES.....	S-21
DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED.....	S-23
Offering.....	S-23

Common Shares	S-23
Warrants	S-24
PLAN OF DISTRIBUTION	S-25
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	S-28
Holders Resident in Canada	S-29
Holders Not Resident in Canada	S-30
ELIGIBILITY FOR INVESTMENT	S-31
AUDITORS, TRANSFER AGENT AND REGISTRAR	S-32
LEGAL MATTERS	S-32
EXEMPTION FROM NATIONAL INSTRUMENT 44-102	S-32
STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	S-32
CERTIFICATE OF THE COMPANY	C-1
CERTIFICATE OF THE AGENTS	C-2

TABLE OF CONTENTS – SHELF PROSPECTUS

GENERAL MATTERS	1
About this Prospectus.....	1
Interpretation	1
Market and Industry Data.....	1
Currency	1
Cautionary Note Regarding Forward-Looking Statements	2
Documents Incorporated by Reference	4
THE COMPANY	5
Corporate Structure	5
Intercompany Relationships	5
DESCRIPTION OF THE BUSINESS.....	8
General	8
Biopharmaceutical Segment.....	8
OTC DIN Portfolio	10
Natural Health Segment	10
Pipeline of Products and Clinical Trials.....	11
RECENT DEVELOPMENTS	12
QIXLEEF™	12
Agreement with Alternavida	13
HCC011	13
Agreement with Azevedos	13
DIN Applications	13

CAUMZ™	13
Manufacturing Agreement with Vitiprints LLC.....	14
QIXLEEF™	14
PPP003	14
Agreement with MAKScientific	14
Management Update on COVID-19.....	15
Recent Financings	16
Variance in Use of Proceeds	16
REGULATORY OVERVIEW	18
RISK FACTORS	20
Risks Related to the Securities of the Company.....	21
Risks Relating to Tetra and its Business	23
USE OF PROCEEDS	34
EARNINGS COVERAGE	38
CONSOLIDATED CAPITALIZATION	39
OUTSTANDING SECURITY DATA	39
PRIOR SALES	39
MARKET FOR SECURITIES.....	40
DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED.....	42
Common Shares	42
Warrants	42
Units	44
Debt Securities	44
Subscription Receipts.....	49
PLAN OF DISTRIBUTION.....	52
New Issue	52
Secondary Offering	52
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	53
EXEMPTION FROM NATIONAL INSTRUMENT 44 102.....	54
AUDITORS, TRANSFER AGENT AND REGISTRAR	54
LEGAL MATTERS	54
WHERE YOU CAN FIND MORE INFORMATION	54
PURCHASERS' STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION.....	54
CERTIFICATE OF THE COMPANY	C-1

IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING SHELF PROSPECTUS

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates certain information contained in the Shelf Prospectus and the documents incorporated by reference into the Shelf Prospectus. The second part, the Shelf Prospectus, provides more general information. If the information varies between this Prospectus Supplement and the Shelf Prospectus, the information in this Prospectus Supplement supersedes the information in the Shelf Prospectus. Capitalized terms or abbreviations used in this Prospectus Supplement that are not defined herein have the meanings ascribed thereto in the Shelf Prospectus.

No person is authorized by the Company to provide any information or to make any representation other than as contained in this Prospectus Supplement or in the Shelf Prospectus in connection with the issue and sale of the Units. An investor should rely only on the information contained in this Prospectus Supplement and the Shelf Prospectus (including the documents incorporated by reference herein and therein) and is not entitled to rely on parts of the information contained in this Prospectus Supplement or the Shelf Prospectus (including the documents incorporated by reference herein or therein) to the exclusion of others. If anyone provides you with different or additional information, you should not rely on it. The Company and the Agents have not authorized anyone to provide investors with additional or different information. The Company and the Agents take no responsibility for and can provide no assurance as to the reliability of, any other information that others may give readers of this Prospectus Supplement. Information contained on, or otherwise accessed through, the Company's website shall not be deemed to be a part of this Prospectus Supplement and the Shelf Prospectus, including the documents incorporated by reference herein and therein, and such information is not incorporated by reference herein.

The Company and the Agents are not offering to sell the Units in any jurisdictions where the offer or sale of the Units is not permitted. The information contained in this Prospectus Supplement (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus Supplement or as of the date as otherwise set out below (or as of the date of the document incorporated by reference herein or as of the date as otherwise set out in the document incorporated by reference herein, as applicable). The business, financial condition, capital, results of operations and prospects of the Company may have changed since those dates. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by applicable Canadian securities laws.

This Prospectus Supplement shall not be used by anyone for any purpose other than in connection with the Offering.

The Company's annual audited consolidated financial statements that are incorporated by reference into this Prospectus Supplement and the Shelf Prospectus have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Certain calculations included in tables and other figures in this Prospectus Supplement, the Shelf Prospectus and the documents incorporated by reference herein and therein may have been rounded for clarity of presentation.

The documents incorporated or deemed to be incorporated by reference in this Prospectus Supplement or in the Shelf Prospectus contain meaningful and material information relating to the Company and readers of this Prospectus Supplement should review all information contained in this Prospectus Supplement, the Shelf Prospectus and the documents incorporated or deemed to be incorporated by reference herein and therein, as amended or supplemented.

INTERPRETATION

In this Prospectus Supplement, unless otherwise indicated or the context otherwise requires, the terms "Tetra", the "Company" and "we", "us" and "our" are used to refer to Tetra Bio-Pharma Inc.

This Prospectus Supplement and any applicable prospectus supplement contain company names, product names, trade names, trademarks and service marks of other organizations, all of which are the property of their respective owners.

MARKET AND INDUSTRY DATA

Market and industry data that may be contained in this Prospectus Supplement and in the Shelf Prospectus, as well as in the documents incorporated by reference herein and therein, was or will have been obtained from third party sources, such as government or other industry publications and reports, journals, studies and publications, websites and other publicly available information or based on estimates derived from same and management's knowledge of, and experience in, the pharmaceutical industry, markets and economies in which the Company operates. Government and industry publications and reports generally indicate that information has been obtained from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. The Company believes that the industry, market and economic data presented throughout this Prospectus Supplement and the Shelf Prospectus, as well as in the documents incorporated by reference herein and therein, is accurate and, with respect to data prepared by the Company or on the Company's behalf, that the Company's opinions, estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. Further, certain of these organizations are participants in, or advisors to participants in, the pharmaceutical industry, and they may present information in a manner that is more favourable to the industry than would be presented by an independent source. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. While the Company believes this data to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus Supplement and in the Shelf Prospectus, as well as in the documents incorporated by reference herein and therein, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying industry. Market, economic, industry data and other assumptions relied upon by such sources are subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

CURRENCY

In this Prospectus Supplement, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. References to "\$", "C\$" and "CDN\$" are to Canadian dollars and references to "US\$" and "U.S. dollars" are to United States dollars.

On December 15, 2021, the rate of exchange posted by the Bank of Canada for conversion of U.S. dollars into Canadian dollars was US\$1.00 equals CDN\$1.2893, and for conversion of Canadian dollars into U.S dollars was CDN\$1.00 equals US\$0.7756. No representation is made that any currency could be converted into any other currency at any given rate.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement and the Shelf Prospectus, including the documents incorporated by reference herein and therein, contain certain information that may constitute "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") which are based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. Such statements can be identified by the use of forward-looking terminology such as "expect," "likely," "may," "will," "should," "intend," "anticipate," "potential", "proposed", "estimate", "believe", "plan", "expect", "forecast" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Forward-looking statements are necessarily based on estimates and assumptions made by management in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as factors that management believe are appropriate. Forward-looking statements in this Prospectus Supplement include, but are not limited to, statements with respect to:

- the timing, size and closing of the Offering;
- the satisfaction of the conditions of the closing of the Offering, including the receipt, in a timely manner, of regulatory and other required approvals;
- the listing on the TSX of the Unit Shares, the Additional Shares, the Warrants, the Additional Warrants, the Warrant Shares, the Additional Warrant Shares and the Compensation Warrant Shares;
- the use of proceeds of the Offering;
- the exercise of the Over-Allotment Option by the Agents;
- the anticipated effect of the Offering on the performance of the Company;
- the performance of the Company's business and operations;
- the intention to grow the business and operations of the Company;
- the competitive conditions of the industry;
- the competitive, marketing and commercialization and business strategies of the Company;
- the results of human trials based on the results of research conducted on animals;
- researching and developing products for human use;
- receiving approval by appropriate governing agencies for marketing;
- approval to market and manufacture the developed products;
- volatility in the demand for products;
- competition for, among other things, market share;
- pricing competition for products;
- changes in laws, regulations and guidelines relating to Tetra's business;
- the commercialization of Tetra's assets developed from its intellectual property;
- the expected size and value of the addressable markets for the Company's drug candidates;
- the Company's expectations regarding the timing and the results of its pre-clinical and clinical trial results;
- the development, manufacturing and commercialization of the Company's drug candidates;
- the anticipated health benefits of Tetra's drug candidates;
- the anticipated milestones for the development of the Company's clinical program and the commercial launch of its products;
- the anticipated penetration of the Company's drug candidates in foreign markets;
- the Company's anticipated regulatory submissions and commercial activities;
- the anticipated timelines for regulatory approvals of the Company's drug candidates;
- the Company's expectations regarding funding for its pipeline of drug candidates;
- fluctuations in operating results;
- the Company's anticipated working capital requirements
- the anticipated future gross margins of the Company's operations;
- the initiation, timing, cost, progress and success of the Company's research and development programs, preclinical studies and clinical trials;
- the Company's ability to advance product candidates into, and successfully complete, clinical trials;
- the Company's ability to recruit sufficient numbers of patients for future clinical trials;

- the Company's ability to generate revenues and achieve profitability;
- the Company's ability to obtain funding for its operations, including funding for research;
- the Company's ability to establish and maintain relationships with collaborators with acceptable development, regulatory and commercialization expertise and the benefits to be derived from such collaborative efforts;
- the implementation of the Company's business model and strategic plans;
- the competitive positioning and advantages of the Company's products and product candidates;
- the therapeutic benefits, effectiveness and safety of the Company's product candidates;
- the anticipated impacts of the current COVID-19 pandemic on the Company's business, including its clinical trials, and the measures that the Company may put into place to address such impacts;
- the ability of the Company to develop potential drug candidates on an accelerated timeline;
- the rate and degree of market acceptance and clinical utility of the Company's future products, if any; and
- the completion of potential acquisition opportunities and the potential benefits that are expected to derive therefrom.

Such forward-looking statements reflect Tetra's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions using data from publicly available governmental sources as well as from market research and industry analysis and on assumptions based on data and knowledge of the industry which Tetra believes to be reasonable, but are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While Tetra is not aware of any misstatement regarding any industry or government data presented herein, the business of Tetra involves risks and uncertainties that are subject to change based on various factors. Many factors could cause Tetra's actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. In making the forward looking statements included in this Prospectus Supplement and the Shelf Prospectus, including the documents incorporated herein and therein, the Company has made various material assumptions, including, but not limited to: (i) the Company's ability to obtain funding for its operations, including funding for clinical trials research and to manufacture the active pharmaceutical ingredients used in the research; (ii) the enrollment in, completion of and obtaining positive results from clinical trials; (iii) obtaining and maintaining regulatory approvals; (iv) the Company's ability to develop and commercialize, or otherwise monetize, its drug candidates and develop new drugs; (v) the Company's and competitor's costs of production and operation; (vi) the availability of financing on reasonable terms; (vii) the safety and efficacy of the Company's drug candidates and any new drugs; (viii) the assumption that Tetra's current good relationships with its collaborators, suppliers, joint venture partners and other third parties will be maintained; (ix) the Company's ability to enter into collaboration agreements for the licensing, development and ultimate commercialization of its product candidates; (x) the Company's ability to attract and retain skilled staff within the specialized scientific and managerial nature of the Company's business; (xi) the Company's ability to protect patents and other proprietary rights including trade secrets; (xii) the Company's ability to integrate acquired or licensed products into the Company's existing pipeline; (xiii) Health Canada maintaining its policy to expedite the review of a drug product shown to improve the outcome of life-threatening conditions, such as COVID-19; (xiv) the Company's ability to manage the impacts and effects of the COVID-19 pandemic on the Company's business and operations; (xv) the ability of the Company's products to penetrate various geographical markets; (xvi) the ability of the Company to continue to conduct clinical trials in the ordinary course; (xvii) our ability to source and maintain licenses from third-party owners; (xviii) the assumption that the public perception of the Company's products and technology will remain favorable; (xix) the assumption that the anticipated market for Tetra's potential products and technologies will continue to exist and expand; (xx) Tetra's ability to advertise and promote its technologies and products effectively and efficiently; (xxi) Tetra's ability to protect its networks equipment, IT systems and software against damage; (xxii) Tetra's ability to maintain adequate insurance coverage at commercially reasonable rates; and (xxiii) Tetra's ability to maintain adequate disclosure controls, procedures and internal controls policies.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct.

The forward-looking statements in this document involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements or industry results to be materially different from any future results, performance or achievements or industry results expressed or implied by such forward-looking statements. The factors which could cause results to differ from current expectations include, but are not limited to: (i) Tetra's drug candidates contain substances related to cannabis, which may generate public controversy; (ii) the Company is subject to all of the business risks and uncertainties associated with any early-stage enterprise, including under-capitalization, cash shortages, limitation with respect to personnel, financial and other resources, and lack of revenues; (iii) Tetra's future operations are dependent upon obtaining financing; (iv) Tetra may not be able to manage its future growth; (v) the anticipated markets for the Company's products and technologies may not exist or expand, or may diminish; (vi) changes in laws and regulations may adversely affect the Company; (vii) the risks associated with acquisitions, dispositions or other strategic transactions; (viii) Tetra may not be able to generate sufficient revenue and the Company may not be able to achieve or sustain profitability; (ix) the Company's drug candidates may fail for a number of reasons; (x) we may have difficulty enrolling or maintaining the enrollment of patients in any clinical trials conducted for our drugs, which may result in the delay or cancellation of such trials; (xi) the Company's reliance on pre-clinical testing and clinical trials; (xii) the potential effects and impacts of the COVID-19 pandemic on the Company's business and operations; (xiii) the vulnerability of results of planned clinical trials; (xiv) the Company's reliance on regulatory approvals and the risks of noncompliance with applicable laws; (xv) the Company's reliance on contract manufacturing organizations; (xvi) Tetra may not be able to successfully market its drugs; (xvii) the Company may be unable to identify, discover or license drug candidates; (xviii) the possibility that none of our drug candidates under development will successfully gain market approval from the United States Food and Drug Administration ("FDA"), Health Canada or other regulatory authorities; (xix) delays in clinical testing; (xx) negative results from clinical trials or studies of others and adverse safety events; (xxi) the inability of the Company to develop enhancements to its existing products and services or acceptable new products and services that keep pace with rapidly changing developments; (xxii) competition; (xxiii) reliance on key personnel; (xxiv) employee misconduct or other improper activities; (xxv) our reliance on the success of collaboration agreements; (xxvi) Tetra may not be able to protect its intellectual property; (xxvii) changes in patent laws; (xxviii) the risk of third-party claims for infringement; (xxix) Tetra's inability to protect its trade secrets; (xxx) we may be unable to acquire or in-license any compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify as necessary for our drug candidates; (xxxi) Tetra's insurance may be insufficient to cover losses that may occur as a result of Tetra's operations; (xxxii) deficiencies in disclosure controls and procedures and internal controls over financial reporting; (xxxiii) legal proceedings; (xxxiv) the Company's reliance on information technology systems and the risks of damaging cyberattacks; (xxxv) conflicts of interest; (xxxvi) any failure of the Company to comply with anti-bribery legislation; (xxxvii) the failure of our information technology systems; (xxxviii) product liability lawsuits; (xxxix) clinical trial liability; (xl) the risks posed by internal expansion; (xli) the volatility and fluctuation of the market price of the Common Shares; (xlii) holders of Warrants have no rights as shareholders until such holders acquire Warrant Shares; (xliii) no assurance can be given that an active or liquid trading market for the Common Shares will be sustained; (xliv) the possible future dilution of our common shareholders; (xlv) the subordination of shareholders to our lenders; (xlvi) the senior ranking of future offerings of debt and equity securities to that of Common Shares; (xlvii) the negative impact of future sales of Common Shares by officers and directors on the market price for the Common Shares; (xlviii) the limited market for our securities; (xlix) the risks associated with our unlisted warrants; (l) our limited operating history; (li) the fact that there is no assurance of the Company's future profitability; (lii) the risks associated with our revenue generation and liquidity levels; (liii) the fact that we do not currently pay dividends; and (liv) fluctuations in foreign currency exchange rates.

The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement. In particular, but without limiting the foregoing, disclosure in the Shelf Prospectus under "*Description of Business*" as well as statements regarding the Company's objectives, plans and goals, including future operating results and economic performance may make reference to or involve forward-looking statements. In evaluating forward-looking statements, current and prospective shareholders should specifically consider various factors, including the risks outlined under the heading "*Risk Factors*" in this Prospectus Supplement, under the heading "*Risk Factors*" in the Shelf Prospectus and under the heading "*Risk Factors*" in the Annual Information Form (as defined herein). A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements. The purpose of forward-looking statements is to provide the reader with

a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. Undue reliance should not be placed on forward-looking statements contained in this Prospectus Supplement and the Shelf Prospectus, including the documents incorporated by reference herein and therein.

All forward-looking information in this Prospectus Supplement, the Shelf Prospectus and in the documents incorporated herein and therein by reference is qualified in its entirety by the above cautionary statements and, except as required by law, we undertake no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus Supplement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference in this Prospectus Supplement and not delivered with this Prospectus Supplement may be obtained on request without charge from Tetra at 2316 St. Joseph Blvd., Orleans, Ontario, K1C 1E8, telephone (438) 899-7575 or by accessing the disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**"), at www.sedar.com.

The following documents, filed with the securities commissions or similar regulatory authorities in all provinces of Canada are specifically incorporated by reference, and form an integral part of, this Prospectus Supplement:

- (a) the annual information form of the Company dated February 24, 2021 for the financial year ended November 30, 2020 (the "**Annual Information Form**");
- (b) the consolidated audited annual financial statements of the Company as at and for the financial years ended November 30, 2020 and November 30, 2019, and related notes thereto, together with the independent auditor's report thereon;
- (c) the management's discussion and analysis of the Company for the twelve months ended November 30, 2020 (the "**Annual MD&A**");
- (d) the unaudited condensed consolidated interim financial statements of the Company for the three and nine months ended August 31, 2021, and related notes thereto (the "**Interim Financial Statements**");
- (e) the management's discussion and analysis of the Company for the three and nine months ended August 31, 2021;
- (f) the management information circular of the Company dated April 20, 2021 (as re-filed on April 23, 2021) in connection with the annual general and special meeting of shareholders of the Company to be held on May 28, 2021 (the "**Management Information Circular**");
- (g) the material change report of the Company dated March 2, 2021 in respect of the announcement of the closing of the bought-deal public offering of a total of 65,550,000 units of the Company for aggregate gross proceeds to the Company of \$14,421,000;
- (h) the material change report of the Company dated May 17, 2021 in respect of the announcement of the closing of the bought-deal public offering of a total of 25,000,000 units of the Company for aggregated proceeds to the Company of \$10,000,000;
- (i) the material change report of the Company dated May 31, 2021 in respect of the announcement of the entering into by the Company of an at-the-market equity distribution agreement dated May 28, 2021 with Canaccord Genuity Corp., as agent, thereby establishing an at-the-market equity program (the "**ATM Program**") allowing the Company to issue up to \$10,000,000 worth of Common Shares

from treasury to the public from time to time; see “Recent Developments – Termination of the Company’s ATM Program”;

- (j) the template version of the term sheet for the Offering dated December 1, 2021 and December 16, 2021; and
- (k) the investor presentation of the Company dated December 1, 2021 entitled “Corporate Presentation”.

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus Distributions* filed with a securities commission or similar regulatory authority in Canada on or after the date of this Prospectus Supplement and prior to the completion or withdrawal of the Offering will be deemed to be incorporated by reference into this Prospectus Supplement and the Shelf Prospectus.

Any statement contained in this Prospectus Supplement, the Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference herein or in the Shelf Prospectus will be deemed to be modified, replaced or superseded for purposes of this Prospectus Supplement and the Shelf Prospectus to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein or in the Shelf Prospectus modifies, replaces or supersedes such statement. The modifying, replacing or superseding statement need not state that it has modified, replaced or superseded a prior statement or include any other information set forth in the document or statement that it modifies, replaces or supersedes. The making of a modifying, replacing or superseding statement is not to be deemed an admission for any purposes that the modified, replaced or superseded statement, when made, constituted a misrepresentation, an untrue statement of a 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, replaced or superseded will not be deemed, except as so modified, replaced or superseded, to constitute a part of this Prospectus Supplement or the Shelf Prospectus.

References to the Company’s website in any documents that are incorporated by reference into this Prospectus Supplement do not incorporate by reference the information on the Company’s website into this Prospectus Supplement, and we disclaim any such incorporation by reference.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (each such term as defined in National Instrument 41-101 – *General Prospectus Requirements*) will be incorporated by reference in this Prospectus Supplement. However, such “template version” of “marketing materials” will not form part of this Prospectus Supplement to the extent that the contents of the “template version” of “marketing materials” are modified or superseded by a statement contained in this Prospectus Supplement. Any “template version” of “marketing materials” filed on SEDAR in connection with the Offering after the date of this Prospectus Supplement but prior to the termination of the distribution of the Units pursuant to the Offering will be deemed to be incorporated by reference in this Prospectus Supplement and in the Shelf Prospectus.

THE COMPANY

Summary Description of the Business

Tetra is a biopharmaceutical pioneer in immunomodulator and inhalation drug discovery and development aimed at bringing novel prescription drugs and treatments to patients and their healthcare providers. Tetra’s evidence-based scientific approach has enabled it to develop a pipeline of drug products for a range of medical conditions,

including pain, inflammation, and oncology. Tetra is focused on providing rigorous scientific validation and safety data required for inclusion into the existing biopharma industry by regulators, physicians and insurance companies.

Tetra has a pipeline of multi-patented formulations and drug delivery systems with a unique portfolio of owned and in-licensed assets in early research and development phase to advanced stage clinical programs. Tetra develops drug candidates based on clinical trials authorized in Canada by Health Canada, in the United States by the FDA and by the Europe Medicines Agency ("EMA") as the Company intends to extend its clinical development in Europe.

A successful biopharmaceutical company requires a pipeline of patent protected molecules, formulations, and various delivery systems that can become its next generation therapeutics. As Tetra continues its focus as a "pure play" biopharmaceutical company, the Company's intention is to grow into a fully vertically integrated pharmaceutical company whereby Tetra Bio-Pharma Inc., the parent company, will be responsible for the commercialization of novel drugs that are discovered, developed, and clinically tested by one of the following wholly-owned subsidiaries while securing distributors in the rest of the world: PhytoPain Pharma Inc., Panag Pharma Inc. and Tetra Bio-Pharma Europe Ltd.. ENJOUCAL Inc is a wholly-owned subsidiary created for the commercialization of cannabis medical products. Tetra Bio-Pharma Europe is a subsidiary that allows the corporation to submit regulatory files to the European authorities.

The Company seeks to develop drugs that adhere to Canadian, USA and European prescription drug regulations. The initial focus is in the therapeutic areas of inflammation, oncology (pain, cachexia, CINV), ophthalmology, and non-cancer pain in humans through a robust pipeline using multiple delivery systems. To distinguish itself, the Company's business model is supported by three key pillars:

- (a) **Clinical trials:** Clinical trials are regulated by the drug registration authorities of each country and are an essential component of Tetra's drug development programs. Pioneering research initiatives form the cornerstone upon which the Company is built.
- (b) **Patented formulations and delivery systems:** The Company has both granted patents and filed patent applications. A separate family of patent applications has been filed to protect the delivery of our drugs via inhalation. The Company also uses advanced medical devices, formulations, and delivery systems to optimize patient care.
- (c) **Pharmaceutical quality:** Quality is at the forefront of what the Company does to ensure safety and efficacy. Adherence and compliance of Good Manufacturing Practice (GMP), Good Laboratory Practices (GLP) and Good Clinical Practices (GCP) requirements and regulations are mandatory and a critical aspect of the regulations applicable to Tetra's drug development operations.

Further details concerning the Company's business, including information with respect to its assets, operations and development history, are provided in the Shelf Prospectus under the headings "The Company" and "Description of the Business" and in its Annual Information Form and the other documents incorporated by reference into this Prospectus Supplement. See "*Documents Incorporated by Reference*".

RECENT DEVELOPMENTS

Termination of the Company's ATM Program

On November 4, 2021, the Company announced the termination of its ATM Program effective as of November 11, 2021, and that it had not used, and would not use, the ATM Program. The ATM Program was established on May 28, 2021, allowing the Company to issue and sell up to \$10 million of aggregate amount of Common Shares to the public from time to time, at the Company's discretion. Tetra had not sold any of its Common Shares under the ATM Program.

Management Update on its Growth Strategy

The Company continues to adapt and navigate through a period of widespread uncertainty. See “COVID-19 Pandemic” in the “Risk Factors” section of the Annual Information Form and Interim MD&A. Management continues to believe that its ARDS-003 drug candidate will benefit from an accelerated timeline, since the drug would meet the eligibility criteria of an unmet medical need and a treatment for life-threatening condition. Additionally, as part of its regulatory strategy, the Company intends to submit a request for advance consideration under the Notice of Compliance with conditions (NOC/c) policy and a request for priority review to accelerate both the new drug submission (NDS) to Health Canada and the submission review by Health Canada. If ARDS-003 qualifies for a NOC/c and the priority review is granted, the Company’s request can be subject to a six-month timeline as per Health Canada’s policy. The Company will also apply to similar expedited development/review programs with US FDA and EMA.

It should be noted that the active molecule in ARDS-003 (HU-308) is also being studied to reduce inflammation and pain in certain diseases such as uveitis, painful dry eye, and other painful ocular conditions. This drug program is called PPP-003. Both ARDS-003 and PPP003 have the same active substance, which represents a great advantage to accelerate the PPP-003 drug development by leveraging the data collected in the clinical development of ARDS-003.

While the Company is still committed to its focus on ARDS and sepsis, Tetra has strategically decided to assign its resources to pain and CINV segments. Tetra is still in discussion with several government bodies for funding of its ARDS-003 program. The Company decided not to proceed into clinical trials without this funding and instead dedicate all of its resources to achieving two other key milestones: QIXLEEF™ trials and REDUVO™ marketing approval. The Company is still exploring co-development opportunities with pharma players involved in ophthalmology. There is no guaranty that funding will be provided by any government bodies or that any development opportunities will materialize. The Company will provide further updates as they are known.

Regarding the drug candidate QIXLEEF™, both REBORN1© (Phase II Proof of Concept) and REBORN2© (Phase II/III) clinical trials are expected to be conducted in US-based private clinics which are less affected by the pandemic. The REBORN2© clinical trial is expected to be performed in Australia, Canada, Europe and the USA. This is dependent on regulatory submissions, costs, and speed of initiation. The REBORN1© Phase II trial is expected to be completed in early 2022, Phase II/III trial is expected to be initiated in 2022. The Company will work on a New Drug Application (NDA) as early as possible, dependent on enrollment and primary endpoint outcome in the clinical trials.

The Company launched the PLENITUDE1© clinical trial in September 2020 once Aphria was able to deliver the study drug medication. The Company had estimated that the activation of 10 clinical sites would take less than 6 months. During the period ended August 31, 2021, the DEA had only issued Schedule 1 licenses to 5 of the 10 original planned sites. The delays by the DEA are associated with the impact of COVID-19 on its internal resources. Based on the site activation delays, the Company expects to complete not more than 50% of the enrolment by the end of the fiscal year 2021. This delay does not impact the time-to-submission of the QIXLEEF™ NDA. If the REBORN© trial demonstrates a better safety profile and a faster onset of pain relief, the Company intends to submit Fast Track and Priority Review Designations to FDA. Subsequently, if those designations are granted, the Company plans to submit the QIXLEEF™ NDA for marketing approval based on the clinical data of REBORN1© trials. In addition to the clinical data of REBORN© trials, QIXLEEF™’s safety can also be supported by the long-term safety data derived from the PLENITUDE1© clinical trial. This regulatory strategy allows the Company to optimize its investment in the QIXLEEF™ clinical program.

The Company received the Scientific Advice Assessment (SAA) Report from the Malta Medicines Authority in September 2021. The SAA Report provided positive feedback on Tetra’s drug development plan for QIXLEEF™ and eligibility for submitting a Marketing Authorization Application (MAA) under Directive 2001/83/EC (Directive). The report endorses Tetra’s proposed plan to address the nonclinical safety requirements for submitting an MAA for QIXLEEF™ and the Company’s quality program for QIXLEEF™ as a medicine. In addition, the report discusses the assessment of both the PLENITUDE© and REBORN© clinical programs with regards to an MAA. The SAA Report provided guidance on the endpoints and other aspects of the protocol. The REBORN2© trial was identified as pivotal for the MAA because of its dose-response endpoint requirements of the Directive. Depending on the outcome in the REBORN1© and REBORN2© clinical trials, full Marketing Authorization would require confirmation of the

outcome of REBORN1©. Notably, on October 21, 2021, the Company received a positive opinion on the Company's application for Orphan Drug Designation for QIXLEEF™ as a potential treatment for Complex Regional Pain Syndrome, a chronic neuropathic pain condition, from the EMA's Committee for Orphan Medicinal Products.

Current and prospective investors are cautioned that these programs have experienced and are expected to have additional delays. See “COVID-19 Pandemic” in the “Risk Factors” section of the Interim MD&A.

The Company's re-established short-term objectives and priorities for fiscal 2021 are as follows:

- *QIXLEEF™*: Advancing REBORN1© clinical trials;
- *QIXLEEF™*: Advancing PLENITUDE© clinical trials - to further accelerate QIXLEEF™'s path to marketing approval; and
- *Reduvo™*: Seeking marketing approval and commercializing its drug candidate.

On October 5, 2021, the Company announced that numerous pre-launch activities for Reduvo™ have been initiated, including the entering into of a distribution agreement, reimbursement strategy development, customer segmentation and targeting, medical and commercial field team staffing process through a Contract Sales Organization and strategy development and initiation.

The Company can make no assurance that its research and development programs will result in regulatory approval or commercially viable drugs. Further, there are inherent delays in drug development and the Company cannot guarantee that milestones will be met within the timelines expected by the Company, or at all. See “Risk Factors – Success of our Drug Candidates” and “Risk Factors – Delays in Clinical Testing” in our Annual MD&A.

REGULATORY OVERVIEW

Tetra's operations are subject to a variety of laws, regulations, guidelines and policies relating to the manufacture, import, export, management, packaging/labelling, advertising, sale, transportation, distribution, storage and disposal of its drug candidates but also including laws and regulations relating to drugs, controlled substances, health and safety, the conduct of its operations and the protection of the environment. While, to the knowledge of management, Tetra is currently in material compliance with all such laws, any changes to such laws, regulations, guidelines and policies due to matters beyond the control of Tetra may adversely affect its operations.

The Company is required to comply with the requirements of the various regulatory agencies (such as the Therapeutic Products Directorate (“TPD”) of Health Canada) in jurisdictions where the Company intends market its prescription drugs and its non-prescription drugs. Any entity planning to commercialize drugs is required to follow and adhere to key regulatory requirements and paths for prescription drugs and non-prescription drugs, as applicable. Clinical trials or clinical studies are performed to evaluate the safety and efficacy of new drug products or for a new intended use of an already approved drug product. Health Canada and the FDA are involved in the regulation of the sale (distribution) and importation of unapproved drugs for use in human clinical trials.

Clinical trials fall under the responsibility of each jurisdiction's specific regulatory body:

- Health Canada:
 - Controlled substances, prescription and non-prescription drugs: the TPD; and
 - Medical devices: Medical Device Bureau.
- FDA:
 - Controlled substances, botanical and synthetic drugs: the Center for Drug Evaluation and Research; and
 - Medical devices: Center for Devices and Radiological Health.

- EMA¹:
 - Controlled substances, botanical and synthetic drugs; and
 - Medical devices.

In order to be able to initiate a clinical trial in humans, an investigational product must conform to the requirements defined by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use E6(R2) Guideline and any country-specific requirements.

The Company performs research to understand the dose response and frequency of administration as well as the pharmacodynamics response. This data, along with the safety data, is used to define the dose range that can be tested in humans.

The general phases of drug development are:

- Discovery and lead selection;
- Preclinical (nonclinical) pharmacology and toxicology;
- Phase 1: safety testing in healthy human volunteers;
- Phase 2: dose finding to define the potential efficacious dose and frequency of administration;
- Phase 3: trials performed to demonstrate the safety and efficacy of the product in the intended patient population and usually involve several hundred to several thousand participants. These trials are the key studies used to obtain marketing approval. In a life-threatening indication, regulators can accept a single Phase 3 trial under the condition that the Company performs a Phase 4 trial as a post-marketing requirement; and
- Phase 4: also known as post-marketing trials. Trials are performed either as a commitment for marketing approval, as part of the pharmacovigilance for a product, or as part of the marketing promotion for a new drug.

Each Phase 1, 2 and 3 clinical trial phase can only be initiated after having received authorization² from the applicable regulatory authority.³ A Phase 4 trial (i.e., on label) does not require regulatory authority approval. Discovery and toxicology phases do not require approval by regulatory authorities.

During the drug development process, the Company prepares a study report. In Canada, once the last study required for the submission is released, the New Drug Submission (“NDS”) application is completed and submitted to the TPD. After submitting the NDS application, the file undergoes a screening process prior to being accepted for review. The TPD has 45 calendar days from receipt to complete the screening review process. If granted a Priority Review or applications accepted for consideration under the Notice of Compliance/conditional policy, the screening period is reduced to 25 calendar days. Submission review will cease upon issuance of the Qualifying Notice. The target for the average time to reach first decision on a NDS application is 300 calendar days. The FDA has a similar review process for New Drug Applications.

The *Cannabis Act* passed into law on October 17, 2018. As a result, most cannabis is no longer a controlled substance under the *Controlled Drugs and Substances Act* (Canada), but is subject to the Cannabis Act and the Cannabis Regulations enacted under the Cannabis Act.

¹ The respective agency varies by country.

² Authorization typically is a no objection to the proposed clinical trial. Each country has its own regulatory framework involving a review process to ensure the safety and wellbeing of human subjects. Canada issues a No Objection Letter whereas in the USA a clinical trial goes into effect after a 30-calendar day review period unless otherwise indicated by the FDA.

³ An alternative clinical trial enabling regulatory process is available for drug candidates for COVID-19 indications. Regulatory agencies in Canada and the USA have committed to prioritize review of the CTA/IND to streamline the investigation of potential therapies for COVID-19. Therefore, prior to submitting the CTA/IND request, the Company must first provide the nonclinical safety data in a pre-IND/CTA format irrespective of a prior successful meeting with the agency.

Generally, most human and veterinary drugs containing cannabis (including phytocannabinoids) continue to be regulated as prescription drugs. Health Canada has amended both the human and veterinary prescription drug lists to include phytocannabinoids produced by, or found in, the cannabis plant and substances that are duplicates of such phytocannabinoids.⁴

Pre-clinical studies and clinical trial authorizations from Health Canada continue to be required for the study of drugs containing cannabis and some cannabinoid molecules. In addition, a research license under the Cannabis Regulations enacted under the *Cannabis Act* is now required in lieu of an exemption pursuant to Section 56 of the *Controlled Drugs and Substances Act* (Canada) to conduct research activities with cannabis.

The production of drugs containing cannabis is subject to a valid cannabis drug license issued pursuant to the Cannabis Act and a drug establishment license issued pursuant to the Food and Drug Regulations under the Food and Drugs Act.

COVID-19 Drug Development

A drug developed for administration to a patient infected with COVID-19 requires completion of the non-clinical safety studies required to support a Phase 1 trial in healthy subjects. This includes both single-dose ascending and multiple-dose ascending safety and pharmacokinetic studies. A well-controlled Phase 2 can then be performed in COVID-19 infected patients only once it has been shown to be safe in human volunteers. See “Recent Developments – Management Update on its Growth Strategy”.

RISK FACTORS

An investment in the Units is speculative and involves a high degree of risk. In addition to the other information included or incorporated by reference in this Prospectus Supplement and in the Shelf Prospectus, you should carefully consider the risks and uncertainties described below before purchasing Tetra’s securities. The occurrence of any of such risks could have a material adverse effect on the Company’s business, financial condition, results of operations and future prospects. In these circumstances, the market price of the Common Shares could decline, and you may lose all or part of your investment. The risks described herein are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect the Company’s business, financial condition and results of operations. Investors should also refer to the other information set forth or incorporated by reference in this Prospectus Supplement and in the Shelf Prospectus, including its consolidated financial statements and related notes. This Prospectus Supplement also contains forward-looking statements that involve risks and uncertainties. The Company’s actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described herein. See “Cautionary Note Regarding Forward-Looking Statements”.

In particular, you should carefully consider the risks described under the heading “Risk Factors” in the Shelf Prospectus, in the Annual Information Form, in the Annual MD&A and in the Interim MD&A, and other publicly filed documents which are incorporated herein by reference. See “Documents Incorporated by Reference”.

Risks Related to the Offered Securities

Return on investment risk

There is no guarantee that an investment in the Units will earn any positive return in the short or long term. A purchase of Units under the Offering involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. There can be no assurance regarding the amount of income to be generated by the Company. Common Shares and Warrants are equity securities of the Company and are not fixed income securities. Unlike fixed income securities, there is no obligation of the Company to distribute to shareholders a fixed amount or

⁴ Health Canada. Notice of Amendment: Prescription Drug List (PDL): Phytocannabinoids. Online at: <https://www.canada.ca/en/health-canada/services/drugs-health-products/drug-products/prescriptiondruglist/notice-prescription-drug-list-2018-10-17.html>

any amount at all, or to return the initial purchase price of the Common Shares or Warrants on any date in the future. The market value of the Common Shares and Warrants may deteriorate if the Company is unable to generate sufficient positive returns, and that deterioration may be significant.

No assurance that future financing will be available

The Company may need to obtain additional financing in the future. The ability to obtain such additional financing will depend upon a number of factors, including prevailing market conditions and the operating performance of the Company. There can be no assurance that any such financing will be available to the Company on favourable terms or at all. If financing is available through the sale of debt, equity or capital properties, the terms of such financing may not be favourable to the Company. Failure to raise capital when required could have a material adverse effect on the Company's business, financial condition and results of operations.

There is no minimum amount of funds that must be raised under the Offering, and any funds raised under the Offering may not be sufficient to allow the Company to continue to achieve its business objectives. Although the Company believes that it will be able to obtain the necessary funding as in the past, there can be no assurance of the success of these plans

Completion of the Offering is subject to conditions

The completion of the Offering remains subject to the satisfaction of a number of conditions, including final approval of the Offering by the TSX. There can be no certainty that the Offering will be completed.

Revenue generation and liquidity

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities and the continued development of the Company will require additional financing.

The Company had negative cash flow from continuing operations for the year ended November 30, 2020 and for its most recent interim financial period. To the extent the Company has negative cash flow from operating activities in any future periods, certain of the proceeds from an offering of securities (including this Offering) by the Company may be used to fund such negative cash flow from operating activities. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

The ability to generate sufficient revenue to sustain the operations of the Company depends upon the ability to successfully commercialize its intellectual property or other product candidates that the Company develops or acquires in the future. The Company has incurred operating losses and negative cash flows from operations since inception. To the extent the Company has negative cash flows in future periods, the Company may use a portion of its general working capital to fund such negative cash flow. As of the date of this Prospectus Supplement, there is no expectation to generate substantial revenue from the Company's intellectual property in the foreseeable future.

There is no assurance that if regulatory approval is achieved for the product candidates, revenues will be generated. The ability to generate revenue further depends on additional factors, including:

- successful completion of development activities, including the additional pre-clinical studies and planned clinical trials for the product candidates;
- completion and submission of new drug applications to the FDA;
- obtaining regulatory approval from the FDA for indications for which there is a commercial market;
- obtaining regulatory approval from Health Canada;

- completion and submission of applications to, and obtaining regulatory approval from, other foreign regulatory authorities;
- raising substantial additional capital to fund operations;
- securing and maintaining strategic collaborations with partners to test, commercialize and manufacture product candidates;
- manufacturing approved products in commercial quantities and on commercially reasonable terms;
- developing a commercial organization, or finding suitable partners, to market, sell and distribute approved products;
- achieving acceptance among patients, clinicians and advocacy groups for any developed products;
- the successful grant of patents for drugs under development;
- obtaining coverage and adequate reimbursement from third parties, including government payors; and
- setting a commercially viable price for any approved products.

Any doubt about the Company's ability to continue as a going concern may materially and adversely affect the price of the Common Shares, thereby making it more difficult for the Company to obtain financing. Any doubt about the Company's ability to continue as a going concern may also adversely affect the Company's relationships with current and future collaborators, contract manufacturers and investors, who may become concerned about its ability to meet its ongoing financial obligations. If potential collaborators decline to do business with the Company or potential investors decline to participate in any future financings due to such concerns, the Company's ability to increase its financial resources may be limited. Further, the failure to raise such capital could result in the delay or indefinite postponement of current business objectives or in the inability of the Company to discharge its liabilities in the normal course of business. The Company has prepared its financial statements on a going concern basis, which assumes that the Company will be able to meet its commitments, realize its assets and discharge its liabilities in the normal course of business. The Company's consolidated financial statements do not include any adjustment to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

Discretion over the use of the net proceeds from the Offering

Management of the Company will have broad discretion over the use of the net proceeds from the Offering pursuant to this Prospectus Supplement and the Shelf Prospectus. The Company may re-allocate the net proceeds of the Offering other than as described under the heading "Use of Proceeds" and in ways that a purchaser may not consider desirable, if management of the Company believes it would be in the Company's best interest to do so. As a result, an investor will be relying on the judgment of management for the application of the net proceeds from the Offering. You may not agree with how the Company allocates or spends the net proceeds from the Offering. The results and the effectiveness of the application of the net proceeds from the Offering are uncertain. If the net proceeds from the Offering are not applied effectively, the Company's results of operations and financial condition may suffer.

Holders of Warrants have no rights as a shareholder

Until a holder of Warrants acquires Warrant Shares upon exercise of Warrants, such holder will have no rights with respect to the Warrant Shares underlying such Warrants. Upon exercise of such Warrants, such holder will be entitled to exercise the rights of a common shareholder only as to matters for which the record date occurs after the exercise date.

No current market for Warrants

There is currently no market through which the Warrants may be sold and purchasers of Units may not be able to resell the Warrants purchased under this Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of

issuer regulation. The Company agreed to use commercial reasonable efforts to obtain the necessary approvals to list the Warrants and Additional Warrants on the TSX as soon as reasonably practicable after closing of the Offering.

No assurance of active or liquid market for the Common Shares

No assurance can be given that an active or liquid trading market for the Common Shares will be sustained. If an active or liquid market for the Common Shares fails to be sustained, the prices at which such shares trade may be adversely affected and holders of Common Shares may be unable to sell their investment on satisfactory terms. Whether or not the Common Shares will trade at lower prices depends on many factors, including the liquidity of the Common Shares, prevailing interest rates and the markets for similar securities, general economic conditions and the Company's financial condition, historic financial performance and prospects. Other factors unrelated to the Company's performance that may have an effect on the price and liquidity of the Company's securities include the extent of the analytical coverage, lessening in trading volume and general market interest in the Company's securities, the size of the Company's public float and any event resulting in a delisting of the Common Shares. Moreover, the issuance by the Company of Common Shares on the exercise of options or conversion of performance share units under the Company's Omnibus Plan (as defined herein) and upon the exercise of outstanding warrants to purchase Common Shares and the subsequent resale of such Common Shares in the public market could also adversely affect the prevailing market price.

Volatile market price of the Common Shares

The market price for securities of biopharmaceutical companies, including the Common Shares, have historically been volatile and subject to wide fluctuations in response to various factors, many of which are beyond the Company's control, which may affect the ability of the Company's shareholders to sell their securities at an advantageous price. The Company's failure to meet expectations, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions, industry related developments, results of product development or commercialization, changes in government regulations or other material public announcements by Tetra or its competitors, along with a variety of additional factors may affect market fluctuations. The market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. There can be no assurance that continuing fluctuations in price and volume will not occur.

Financial markets have at times historically experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted, and the trading price of the Common Shares may be materially adversely affected.

Dilution

The Company may issue additional Common Shares in the future, including pursuant to acquisitions completed from time to time, which may dilute a shareholder's holdings in the Company. The Company's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of further issuances subject to applicable securities laws and stock exchange rules. Moreover, additional Common Shares will be issued by the Company on the exercise of options or conversion of performance share units under the Company's Omnibus Plan (as defined herein) and upon the exercise of outstanding warrants to purchase Common Shares.

No paid dividends

Other than the North Bud Dividend (as defined under the heading "*Description of the Securities being Distributed – Common Shares*" in the Shelf Prospectus), the Company has not paid dividends on its Common Shares

to date and it currently intends to retain its future earnings, if any, to fund the development and growth of its business. As a result, capital appreciation, if any, of the Common Shares will be your sole source of gain for the foreseeable future. Consequently, in the foreseeable future, you will likely only experience a gain from your investment in the Common Shares if the price of the Common Shares increases.

Risk Related to the Company's Business

Legal Proceedings

From time to time in the ordinary course of our business, we may be the subject of demand letters, face claims or otherwise become involved in various legal proceedings, including litigation involving commercial disputes, contractual claims, product liability, clinical trial liability, intellectual property, employment claims, class action lawsuits and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Additionally, the Company faces litigation risks arising from its use of independent contractors and research collaborations to advance research and development of its product pipeline candidates. Such matters can be time-consuming, divert management's attention and resources and cause us to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on our business, operating results or financial condition.

USE OF PROCEEDS

Proceeds

Assuming the Offering is fully subscribed, the net proceeds to be received by the Company under the Offering are estimated to be \$6,324,000 (up to \$7,272,600 if the Over-Allotment Option is exercised in full), after deducting the Agents' Fee, but before deducting the estimated expenses in connection with this Offering of approximately \$400,000. After deducting the estimated expenses of the Offering, the net proceeds to be received by the Company will be approximately \$5,924,000 (up to approximately \$6,872,600 if the Over-Allotment Option is exercised in full).

Principal Purposes

As more fully described in the below table, the Company intends to use the net proceeds from the Offering (i) to continue the development of certain clinical programs aimed at bringing novel drugs and treatments to patients and their healthcare providers; and (ii) for working capital and general corporate purposes. While the Company currently intends to use the net proceeds from the Offering for the purposes set out herein, the ultimate allocation of such proceeds and the timing of their expenditure will depend upon the prevailing business opportunities and conditions, the progress of clinical development and unforeseen events which have been amplified since the beginning of the COVID-19 pandemic. The Company will have discretion to use the net proceeds differently than as described herein, if the Company believes it is in its best interests to do so. The amounts and timing of Tetra's actual expenditures depend on numerous factors, including the progress of Tetra's pre-clinical development efforts, the ability for Tetra to advance certain clinical trials in light of the COVID-19 pandemic and any unforeseen cash needs. Pending the use of the proceeds described herein, the Company may hold or invest all or a portion of the proceeds of the Offering in interest bearing bank accounts and the funds may be added to the working capital of the Company. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See "*Risk Factors – Discretion over the use of the net proceeds from the Offering*".

Principal Purposes	Estimated Amount to be Expended (assuming no exercise of the Over-Allotment Option)⁽¹⁾
QIXLEEF™ – REBORN®1 clinical trial	\$1,000,000
QIXLEEF™ – PLENITUDE®1 clinical trial	\$1,050,000
QIXLEEF™ CMC and Nonclinical	\$1,000,000

REDUVO™ Product Launch	\$2,100,000
Working capital	\$400,000
General corporate purposes	\$374,000
Total Use of Proceeds.....	\$5,924,000

Note:

- (1) After deducting the Agents' Fee, and after deducting the estimated expenses of the Offering estimated at \$400,000. If the Over-Allotment Option is exercise, any additional net proceeds will be allocated to general corporate purposes, including working capital or business development.

Milestones Summary

The Company intends to use the net proceeds of the Offering to partially complete the following milestones:

Description of Milestones	Use of proceeds	Total Funds Necessary to Complete	Estimated timeline to complete
QIXLEEF™			
QIXLEEF™ – REBORN®1 clinical trial	\$1,000,000	\$1,000,000 ⁽¹⁾	Second quarter of financial year 2022
QIXLEEF™ – PLENITUDE®1 clinical trial	\$1,050,000	\$2,100,000 ⁽¹⁾	Fourth quarter of calendar year 2022
QIXLEEF™ – CMC & nonclinical	\$1,000,000	\$3,000,000 ⁽¹⁾	N/A ⁽²⁾
REDUVO™			
Manufacturing and Commercialization	\$2,100,000	\$4,300,000 ⁽¹⁾	Estimated date of NOC/DIN is March 2022.
OTHER			
Working capital and General Corporate	\$774,000	N/A	N/A
Milestones Total	\$5,924,000	\$10,400,000	

Notes:

- (1) These amounts are approximated estimates for the next 12 months.
- (2) These tasks must be initiated to ensure readiness to submit a Phase 3 trial or marketing application. As publicly disclosed to market on November 29, 2021 Tetra submitted a waiver request to the US FDA to limit the nonclinical requirements for marketing approval. The Company expects a response from the FDA before the end of the first quarter of financial year 2022.

While the Company believes that it has the skills and resources necessary to accomplish these milestones, there is no certainty that the Company will be able to do so within the timelines indicated above, or at all. See “Risk Factors – Reliance on pre-clinical testing and clinical trials” in the Company’s Annual MD&A.

Any additional proceeds received from the exercise of the Over-Allotment Option, as well as from the exercise of the Warrants (including the Additional Warrants) and the Compensation Warrants by the holders thereof will be used by the Company for working capital and general corporate purposes.

Due to the speed at which the situation has been developing and the uncertainty of its magnitude, outcome and duration, the Company is not able at this time to estimate with certainty the future impact of COVID-19 on its operations, and whether its clinical trials and regulatory filings will in fact be significantly delayed or disrupted. Tetra will continue to actively monitor the situation to assess the impact of the current COVID-19 pandemic on the Company’s business and take appropriate measures to diminish such impacts. Because it is currently not possible to accurately assess the magnitude, outcome and duration of the COVID-19 crisis, such crisis may have a longer duration or may result in additional delays or disruptions which are not foreseeable by the Company as at the date of this Prospectus Supplement, and which may have an impact on the timing of completion of the milestones set out above. In such event, the Company may need to prioritize other projects.

The Company had negative cash flow from continuing operations for the year ended November 30, 2020 and for the nine-month period ended August 31, 2021. As at November 30, 2020, the Company’s cash balance was \$2,500,612, and the Company’s had a working capital deficit of \$3,168,772. For the nine-month period ended August 31, 2021, the Company incurred a net loss of \$21,988,930, and as at August 31, 2021, the Company’s cash balance was \$8,571,863 and the Company’s had a working capital surplus of \$7,232,531, including current liabilities totalling \$3,371,554. To the extent the Company has negative cash flows in future periods, the Company may use a portion of the net proceeds of the Offering to fund such negative cash flow. See “Risk Factors – Revenue generation and liquidity”.

CONSOLIDATED CAPITALIZATION

There has been no material change in the Company's share capital, on a consolidated basis, since August 31, 2021, the date of the Company's Interim Financial Statements.

The following table summarizes the share capital of the Company (i) as of August 31, 2021 on an actual basis, and (ii) as of August 31, 2021, after giving effect to the Offering (assuming no exercise of the Over-Allotment Option), and (iii) as of August 31, 2021, after giving effect to the Offering (assuming the Over-Allotment Option is exercised in full). The following table is based on the Interim Financial Statements of the Company and should be read in conjunction with the Interim Financial Statements and other information included in the documents incorporated by reference in this Prospectus Supplement and the Shelf Prospectus.

	Amount Outstanding as of August 31, 2021, Before Giving Effect to the Offering	Amount Outstanding as of August 31, 2021 after Giving Effect to the Offering (assuming no exercise of the Over-Allotment Option) ⁽¹⁾	Amount Outstanding as of August 31, 2021, after Giving Effect to the Offering (assuming the Over-Allotment Option is exercised in full) ⁽¹⁾
<u>Cash and Cash Equivalents:</u>	\$8,571,863	\$14,495,863 ⁽³⁾	\$15,444,463 ⁽³⁾
<u>Debt:</u>⁽²⁾			
Non-convertible Debentures	\$3,000,000	\$3,000,000	\$3,000,000
Accrued Liabilities	\$3,371,554	\$3,371,554	\$3,371,554
Total Debt	\$6,371,554	\$6,371,554	\$6,371,554
<u>Shareholders' Equity:</u>			
Common Shares	401,667,409	443,385,200	449,642,869
Options to purchase Common Shares	5,577,250	5,577,250	5,577,250
Warrants	207,684,829	242,502,620 ⁽³⁾	248,760,289 ⁽³⁾
Total Shareholders' Equity	\$30,615,416	\$37,415,416	\$38,435,416

Note:

- (1) After deducting the Agents' Fee and the estimated expenses of the Offering of approximately \$400,000.
- (2) Reflects the principal amounts and excludes lease liabilities.
- (3) Figure also reflects the expiration of 6,900,000 Common Share purchase warrants on November 30, 2021.

OUTSTANDING SECURITY DATA

As at the date hereof, the following securities of the Company were outstanding:

<u>Security</u>	<u>Amount</u>
Common Shares	401,667,409
Options to purchase Common Shares	5,577,250
Warrants	200,784,829

PRIOR SALES

Common Shares

During the 12-month period prior to the date of this Prospectus Supplement, Tetra issued the following Common Shares:

Date of Issuance	Number of Common Shares	Price
February 3, 2021	11,085,064 ⁽¹⁾	\$0.17
March 2, 2021	65,550,000 ⁽²⁾	\$0.22
April 27, 2021	80,000 ⁽³⁾	\$0.21
May 17, 2021	25,000,000 ⁽⁴⁾	\$0.40
May 21, 2021	3,750,000 ⁽⁵⁾	\$0.40
April 27, 2021 to August 16, 2021	12,375,379 ⁽⁶⁾	\$0.21 to \$0.32

Notes:

- (1) Common Shares issued in connection with the non-brokered private placement completed on February 3, 2021.
- (2) Common Shares issued in connection with the public offering of units of the Company completed on March 2, 2021 (the “**February Offering**”), including the exercise in full of the over-allotment option granted to the Agents under the February Offering. See the prospectus supplement no. 2 of the Company dated February 24, 2021 to the Shelf Prospectus (the “**Prospectus Supplement No. 2**”) for more information, available under the Company’s profile on SEDAR at www.sedar.com.
- (3) Common Shares issued upon the exercise of options to purchase Common Shares by an officer of the Company.
- (4) Common Shares issued in connection with the public offering of units of the Company completed on May 17, 2021 (the “**May Offering**”). See the prospectus supplement no. 3 of the Company dated May 12, 2021 to the Shelf Prospectus (the “**Prospectus Supplement No. 3**”) for more information, available under the Company’s profile on SEDAR at www.sedar.com.
- (5) Common Shares issued in connection with the exercise in full, on May 21, 2021, of the over-allotment option granted to the Agents under the May Offering. See the Prospectus Supplement No. 3, available under the Company’s profile on SEDAR at www.sedar.com.
- (6) Common Shares issued upon the exercise of Common Share purchase warrants by certain holders thereof.

Options

On April 19, 2021, the Company adopted amended and restated omnibus equity incentive compensation plan (the “**Omnibus Plan**”), which was approved by the shareholders of the Company at the annual and special meeting of shareholders held on May 28, 2021. The Omnibus Plan allows the Company to grant to Eligible Participants (as defined under the Omnibus Plan) options exercisable for Common Shares (“**Options**”), Restricted Share Units, Performance Share Units and Deferred Share Units.

During the 12-month period prior the date of this Prospectus Supplement, Tetra issued the following Options:

Date of Issuance	Number of Warrants ⁽¹⁾	Exercise Price	Expiry Date	Grant Date Fair Value
April 19, 2021	1,500,000	\$0.20	March 5, 2023	\$137,299
April 19, 2021	500,000	\$0.20	March 8, 2023	\$45,766
May 20, 2021	1,000,000	\$0.37	March 8, 2023	\$216,226
July 27, 2021	500,000	\$0.28	July 22, 2024	\$80,148

Notes:

- (1) Vested and non-vested.

Warrants

During the 12-month period prior the date of this Prospectus Supplement, Tetra issued the following warrants:

Date of Issuance	Number of Warrants	Exercise Price	Expiry Date	Grant Date Fair Value
February 3, 2021	10,957,764 ⁽¹⁾	\$0.21	February 3, 2023	\$515,567
March 2, 2021	65,550,000 ⁽²⁾	\$0.28	March 2, 2024	\$4,530,402
March 2, 2021	4,588,500 ⁽³⁾	\$0.22	March 2, 2024	\$352,982
May 17, 2021	25,000,000 ⁽⁴⁾	\$0.51	May 17, 2023	\$3,159,158
May 17, 2021	1,750,000 ⁽⁵⁾	\$0.40	May 17, 2023	\$245,946
May 21, 2021	3,750,000 ⁽⁶⁾	\$0.51	May 17, 2023	\$475,606
May 21, 2021	262,500 ⁽⁷⁾	\$0.40	May 17, 2023	\$36,992

Notes:

- (2) Warrants to purchase one Common Share issued in connection with the non-brokered private placement completed on February 3, 2021.
- (3) Warrants to purchase one Common Share issued in connection with the February Offering. See the Prospectus Supplement No. 2, available on SEDAR at www.sedar.com under the Company's profile.
- (4) Warrants to purchase one Common Share issued to the Agents under the February Offering, including in connection with the exercise in full of the over-allotment option granted to the Agents under the February Offering. See the Prospectus Supplement No. 2, available under the Company's profile on SEDAR at www.sedar.com.
- (5) Warrants to purchase for one Common Share issued in connection with the May Offering. See the Prospectus Supplement No. 3, available under the Company's profile on SEDAR at www.sedar.com.
- (6) Warrants to purchase one Common Share issued to the Agents under the May Offering. See the Prospectus Supplement No. 3, available under the Company's profile on SEDAR at www.sedar.com.
- (7) Warrants to purchase one Common Share issued in connection with the exercise in full of the over-allotment option granted to the Agents under the May Offering. See the Prospectus Supplement No. 3, available under the Company's profile on SEDAR at www.sedar.com.
- (8) Warrants to purchase one Common Share issued to the Agents under the May Offering in connection with the exercise in full, on May 21, 2021, of the over-allotment option granted to the Agents under the May Offering. See the Prospectus Supplement No. 3, available under the Company's profile on SEDAR at www.sedar.com.

Performance Share Units

During the 12-month period prior the date of this Prospectus Supplement, Tetra issued the following Performance Share Units ("PSUs"):

Date of Issuance	Number of PSUs ⁽¹⁾	Exercise Price	Expiry Date
February 22, 2021	29,000,000 ⁽²⁾	\$nil	December 31, 2024

Notes:

- (1) The vesting of the PSUs is linked to performance criteria related to the achievement of regulatory approvals for certain of the Company's drug candidates as well as marketing approvals for the commercialization of such candidates. The payouts on the PSUs are also subject to a cap based on the performance of the Company's Common Share price on the TSX. The above parameters were determined with the objective of aligning the interests of the holders of PSUs with those of the Company and its shareholders.
- (2) Since the date of issuance, 6,600,000 PSUs have been terminated and cancelled following the termination of the holders of such PSUs.

Deferred Share Units

During the 12-month period prior the date of this Prospectus Supplement, Tetra issued the following Deferred Share Units ("DSUs"):

Date of Issuance	Number of DSUs ⁽¹⁾	Exercise Price	Expiry Date
March 10, 2021	1,052,628 ⁽²⁾	\$nil	December 31, 2024
June 1, 2021	563,380 ⁽³⁾	\$nil	December 31, 2024

Notes:

- (1) Vested and non-vested.
(2) 75% of the DSUs were vested immediately on the date of the grant, and 25% of the DSUs vested on June 1, 2021.
(3) All units vested immediately.

MARKET FOR SECURITIES

The Common Shares and the Company's listed warrants are currently listed on the TSX under the symbol "TBP", "TBP.WT.A", "TBP.WT.B" and "TBP.WT.C", respectively. The Common Shares are also listed on the OTCQB® Venture Market under the symbol "TBPMF" and on the Frankfurt Stock Exchange under the symbol "JAM1".

The following tables sets forth, for the 12-month period prior to the date of this Prospectus Supplement, the high and low trading prices and composite volume of trading of the Common Shares respectively as reported on the TSX.

Period	High Trading Price	Low Trading Price	Volume
2020			
Month ended December 31, 2020	\$0.210	\$0.170	10,041,752
2021			
Month ended January 31, 2021	\$0.210	\$0.155	14,071,381
Month ended February 28, 2021	\$0.370	\$0.170	55,560,047
Month ended March 31, 2021	\$0.230	\$0.145	72,272,465
Month ended April 30, 2021	\$0.445	\$0.170	87,441,205
Month ended May 31, 2021	\$0.530	\$0.305	94,813,4343
Month ended June 30, 2021	\$0.390	\$0.315	23,946,244
Month ended July 31, 2021	\$0.340	\$0.240	11,961,575
Month ended August 31, 2021	\$0.325	\$0.255	9,360,407
Month ended September 30, 2021	\$0.310	\$0.240	8,643,140
Month ended October 31, 2021	\$0.290	\$0.215	10,020,943
Month ended November 30, 2021	\$0.245	\$0.185	16,491,382
December 1 to December 15, 2021	\$0.22	\$0.14	19,867,890

DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

Offering

The Offering consists of up to 41,717,792 Units (or a maximum of 47,975,460 Units if the Over-Allotment Option is exercised in full). Each Unit is comprised of one Unit Share and one Warrant. Each Warrant entitles the holder thereof to purchase one Warrant Share at an exercise price of \$0.195 per Warrant Share, subject to adjustment, at any time until 5:00 p.m. (Toronto time) on the date that is 48 months after the Closing Date. The Units will separate into Unit Shares and Warrants immediately upon the closing of the Offering. The Units are offered at the Offering Price of \$0.163 per Unit.

Except as may be otherwise agreed by the Company and the Agents, it is anticipated that the Unit Shares and Warrants will be delivered under the book-based system through CDS or its nominee and deposited in electronic form. A purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See “*Plan of Distribution*”.

Common Shares

The following is a summary of the material attributes and characteristics of the Common Shares. The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of our articles, which may be obtained on request from the Company's corporate secretary and are available electronically on SEDAR at www.sedar.com, under the Company's profile, and on the Company's website at www.tetrabiopharma.com. Reference should be made to our articles for the full text of the attributes of the Common Shares.

The authorized share capital consists of an unlimited number of Common Shares, each with no par value.

As at the date hereof, 401,667,409 Common Shares were issued and outstanding.

The holders of the Common Shares are entitled:

- to vote at all meetings of the Company's shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;
- to receive any dividend declared by the Company on the Common Shares; and
- subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, to receive the remaining property of the Company upon dissolution, liquidation or winding-up of the Company.

As of the date of this Prospectus Supplement, the Company has neither declared nor paid any dividends on its Common Shares since the date of its incorporation, other than the dividend-in-kind of the common shares of North Bud Farms Inc. (“**North Bud**”) which was paid on September 12, 2018 (the “**North Bud Dividend**”) *pro rata* to the holders of record of Common Shares as at September 7, 2018 in connection with the agreement to sell all shares of its subsidiary “GrowPros MMP Inc.” to North Bud for gross proceeds of \$350,000, as well as 15,500,000 common shares of North Bud.

Any payments of dividends on the Common Shares will be made in accordance with the *Canada Business Corporations Act* and will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the board of directors of the Company may consider appropriate under the Company. It is unlikely that the Company will pay dividends in the immediate or foreseeable future. See “*Risk Factors – No paid dividends*”.

Warrants

The following is a summary of the principal attributes of the Warrants and certain anticipated provisions of the Warrant Indenture mentioned hereunder. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. A copy of the Warrant Indenture may be obtained on request from the Company's corporate secretary and will be available electronically at www.sedar.com. Reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

Each Warrant entitles its holder, upon the payment of the exercise price of \$0.195, to purchase one Warrant Share for a period of 48 months from the Closing Date.

The Warrants and Additional Warrants will be governed by the Warrant Indenture be entered into on the Closing Date between the Company and Computershare Trust Company of Canada (the "**Warrant Agent**"). The Company will designate the Warrant Agent, in its Montreal office, as agent for the Warrants. With the consent of the Agents, prior to the closing of the Offering, the Company may name any other agents with respect to the Warrants.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

- (a) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other than a distribution of Common Shares upon the exercise of any outstanding warrants or options);
- (b) the subdivision, redivision or change of the Common Shares into a greater number of shares;
- (c) the consolidation, reduction or combination of the Common Shares into a lesser number of shares;
- (d) the issuance to all or substantially all of the holders of Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, of Common Shares on such record date; and
- (e) the issuance or distribution to all or substantially all of the holders of securities, including shares of any class other than Common Shares, rights, options or warrants to acquire Common Shares or securities exchangeable or convertible into Common Shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

- (a) the reclassification of the Common Shares;
- (b) the consolidation, amalgamation, arrangement or merger with or into any other corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification of the Company's outstanding Common Shares or a change or exchange of the Common Shares into or for other shares); or
- (c) the transfer of the Company's undertakings or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a

change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth (1/100th) of a Common Share, as the case may be.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Company will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event. If notice has been given and the adjustment is not then determinable, the Company shall promptly, after the adjustment is determinable, file with the Warrant Agent a computation of the adjustment and give notice to the holders of the Warrants of such adjustment computation.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares, including, but not limited to, the right to vote at, to receive notice of, or to attend, meetings of the Company's shareholders or any other proceedings of the Company, or the right to receive dividends and other allocations.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either (a) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 20% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66^{2/3}% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution; or (b) adopted by an instrument in writing signed by the holders of not less than 66^{2/3}% of the aggregate number of all then outstanding Warrants.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Company; provided, however, that a holder who is a Qualified Institutional Buyer and also an Accredited Investor (as both such terms are defined under the U.S. Securities Act) at the time of exercise of the Warrants who purchased Units in the Offering to, or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Units if it remains an Accredited Investor at the time of exercise.

The Company has agreed to use commercial reasonable efforts to obtain the necessary approvals to list the Warrants and the Additional Warrants on the TSX as soon as reasonably practicable after closing of the Offering. Such listing will be subject to the Company fulfilling all the requirements of the TSX. See "*No current market for Warrants*".

PLAN OF DISTRIBUTION

The Company and the Agents have entered into an Agency Agreement dated as of December 16, 2021 in respect of the offer for sale to the public, on a best efforts basis, of up to 41,717,792 Units at the Offering Price, for aggregate gross proceeds of up to \$6,800,000, payable in cash to the Company against delivery of the Units. The Offering Price was determined by arm's length negotiation between the Company and the Agents, with reference to the prevailing market price of the Common Shares and in accordance with the policies of the TSX. The obligations of the Agents under the Agency Agreement are subject to certain closing conditions and may be terminated at the Agents' discretion on the basis of its "due diligence out", "disaster out", "material change out", "regulatory out", "market out" and "breach out" provisions are included in the Agency Agreement and may also be terminated upon the occurrence of certain other events stated therein. While the Agents will use their best efforts to sell the Units offered hereby, the Agents will not be obligated to purchase Units that are not sold.

Each Unit will consist of one Unit Share and one Warrant. Each Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.195 per Warrant Share for a period of 48 months following the Closing Date. The Warrants will be created and issued pursuant to the terms of the Warrant Indenture (as defined herein) to be dated as of the Closing Date between the Company and the Warrant Agent (as defined herein). The Warrant Indenture will contain provisions designed to protect holders of the Warrants against dilution upon the happening of certain events. No fractional Warrants will be issued.

There is no minimum amount of funds that must be raised under the Offering. This means that the Company could complete the Offering after raising only a small proportion of the Offering amount. See "Risk Factors".

The Company has granted to the Agents the Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Agents, for a period of 30 days from and including the Closing Date, to purchase Additional Units representing approximately 15% of the aggregate number of Units issued pursuant to the Offering at the Offering Price to cover the Agents' over-allotment position, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agents to acquire: (a) Additional Units at the Offering Price; (b) Additional Shares at a price of \$0.1315 per Additional Share; (c) Additional Warrants at a price of \$0.0315 per Additional Warrant; or (d) any combination of Additional Units, Additional Shares and/or Additional Warrants, so long as the aggregate number of Additional Units, Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 6,257,668 Additional Units, 6,257,668 Additional Shares and 6,257,668 Additional Warrants. This Prospectus Supplement qualifies the grant of the Over-Allotment Option and the distribution of the Additional Securities issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Additional Securities forming part of the Agents' over-allocation position acquires those Additional Securities under this Prospectus Supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In consideration for the Agents' services with respect to the Offering, the Company shall: (a) pay the Agents (i) a cash fee of 7.0% of the aggregate gross proceeds of the Offering (including the Over-Allotment Option); and (b) issue Compensation Warrants to acquire Compensation Warrant Shares at the Offering Price for a period of 36 months following the Closing Date, equal to 7.0% of the number of Units sold pursuant to the Offering (including pursuant to the Over-Allotment Option). See "*Description of the Securities being Distributed - Warrants*".

This Prospectus Supplement also qualifies the distribution of the Compensation Warrants and the Compensation Warrant Shares.

The Units will be offered in all provinces of Canada, other than Québec, through the Agents or their affiliates who are registered to offer the Units for sale in such provinces and such other registered dealers as may be designated by the Agents. Subject to applicable law, the Agents may offer the Units and such other jurisdictions outside of Canada as agreed between the Company and the Agents. The Company is not making an offer to sell or a solicitation of an offer to buy the Units in any jurisdiction where the offer is not permitted.

The Company has applied to list on the TSX: (a) the Unit Shares included in the Units; (b) the Additional Shares included in the Additional Units; (c) the Warrant Shares and the Additional Warrant Shares respectively

issuable upon exercise of the Warrants and the Additional Warrants by the holders thereof; and (d) the Compensation Warrant Shares issuable upon the exercise of the Compensation Warrants by the holders thereof. Listing will be subject to the Company fulfilling all of the requirements of the TSX. Moreover, the Company has agreed to use commercial reasonable efforts to obtain the necessary approvals to list the Warrants and the Additional Warrants on the TSX as soon as reasonably practicable after closing of the Offering. See “*Risk Factors*”.

The Company has agreed not to issue any additional equity or quasi-equity securities (other than financing agreements previously disclosed to the Agents) for a period of 90 days from the Closing Date without the prior written consent of the Agents, such consent not to be unreasonably withheld or delayed, other than in connection with: (i) the exchange, transfer, conversion or exercise rights of existing outstanding securities; (ii) the issuance of stock options, restricted share units, performance share units or deferred share units under the Company’s Omnibus Plan; (iii) existing commitments to issue securities; (iv) an arm’s length acquisition (including to acquire assets or intellectual property rights); (v) a partnership transaction with a strategic investor; or (vi) this Offering.

Pursuant to the Agency Agreement, the Company has also agreed to use commercially reasonable efforts to cause certain executive officers and directors of the Company to enter into lock-up agreements pursuant to which each such person agrees not to (subject to certain exceptions), for a period of 90 days following the closing of the Offering, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, securities of the Company held by them, directly or indirectly, without prior consent of the Agents, which consent will not be unreasonably withheld or delayed, other than pursuant to the terms of the lock up agreements.

Pursuant to policy statements of certain Canadian securities regulators, the Agents may not, throughout the period of distribution, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions including: (a) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities; (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities; or (c) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. Consistent with these requirements, and in connection with this distribution, the Agents may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Agents at any time. The Agents may carry out these transactions on the TSX, in the over-the-counter market or otherwise.

Subscriptions will be received subject to rejection or allotment, in whole or in part, and the Agents reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about December 21, 2021 or such other date as may be agreed upon by the Company and the Agents. Except as may be otherwise agreed by the Company and the Agents or in the case of certain United States purchasers, it is anticipated that the Unit Shares and Warrants will be delivered under the book-based system through CDS or its nominee and deposited in electronic form. A purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required.

The Unit Shares and Warrants comprising the Units offered hereby have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and, accordingly, may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the United States or a U.S. Person, except in accordance with the Agency Agreement and pursuant to an exemption from registration under the U.S. Securities Act and applicable U.S. state securities laws.

Pursuant to the terms of the Agency Agreement, the Company has agreed to reimburse the Agents for certain expenses incurred in connection with the Offering, and to indemnify the Agents and their directors, officers, employees, and agents against certain liabilities and expenses and to contribute to payments the Agents may be required to make in respect thereof.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires Units pursuant to this Offering. For purposes of this summary, references to Common Shares include Unit Shares and Warrant Shares unless otherwise indicated. This summary applies only to a purchaser who is a beneficial owner of Common Shares and Warrants acquired pursuant to this Offering and who, for the purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), and at all relevant times: (a) deals at arm’s length and is not affiliated with the Company and the Agents; and (b) holds the Common Shares and Warrants as capital property (a “**Holder**”).

Common Shares and Warrants will generally be considered to be capital property to a Holder unless they are held in the course of carrying on a business of trading or dealing in securities or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based upon: (a) the current provisions of the Tax Act and the regulations thereunder (“**Regulations**”) in force as of the date hereof; (b) all specific proposals to amend the Tax Act or the Regulations that have been publicly announced by, or on behalf of, the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”); and (c) an understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency that are publicly available. No assurance can be given that the Proposed Amendments will be enacted or otherwise implemented in their current form, if at all. If the Proposed Amendments are not enacted or otherwise implemented as presently proposed, the tax consequences may not be as described below in all cases. Other than the Proposed Amendments, this summary does not take into account or anticipate any changes in law, administrative policy or assessing practice, whether by legislative, regulatory, administrative, governmental or judicial decision or action, nor does it take into account the tax laws of any province or territory of Canada or of any jurisdiction outside of Canada.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Allocation of Cost

A Holder who acquires Units pursuant to this Offering will be required to allocate the purchase price paid for each Unit on a reasonable basis between the Unit Share and the Warrant comprising each Unit in order to determine their respective costs to such Holder for the purposes of the Tax Act. Holders should consult their own tax advisors in this regard.

The adjusted cost base to a Holder of each Unit Share comprising a part of a Unit acquired pursuant to this Offering will be determined by averaging the cost of such Unit Share with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder of a Warrant upon the exercise of such Warrant. When a Warrant is exercised, the Holder’s cost of the Warrant Share acquired thereby will be equal to the adjusted cost base of the Warrant to such Holder, plus the amount paid on the exercise of the Warrant. For the purpose of computing the adjusted cost base to a Holder of each Warrant Share acquired on the exercise of a Warrant, the cost of such Warrant Share must be averaged with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the exercise of the Warrant.

Holders Resident in Canada

This section of the summary applies to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for the purposes of the Tax Act (“**Resident Holder**”). This section of the summary is not applicable to a Holder: (a) that is a “financial institution” within the meaning of section 142.2 of the Tax Act; (b) that is a “specified financial institution” as defined in the Tax Act; (c) that has elected to report its “Canadian tax results” (as defined in the Tax Act) in a currency other than Canadian currency; (d) an interest in which is, or for whom a Common Share or Warrant would be, a “tax shelter investment” for the purposes of the Tax Act; (e) that has entered, or will enter, into a “derivative forward agreement”, as defined in the Tax Act, in respect of Common Shares or Warrants, (f) that receives dividends on Common Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act) (g) that is a corporation resident in Canada and is, or becomes, or does not deal at arm’s length with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of the Common Shares or Warrants, controlled by a non-resident corporation (or pursuant to the Proposed Amendments, a non-resident person or a group of persons (comprised of any combination of non-resident corporations, non-resident individuals or non-resident trusts) that do not deal with each other at arm’s length) for purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act, or (h) that is generally exempt from taxation under Part I of the Tax Act. All such Resident Holders should consult their own tax advisors with respect to their own particular circumstances.

A Holder who is resident in Canada for purposes of the Tax Act and 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 in the Tax Act) owned by such purchaser in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Purchasers 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. Such election is not available in respect of Warrants.

Dividends

A Resident Holder will be required to include in computing its income for a taxation year any taxable dividends received or deemed to be received on the Common Shares. In the case of a Resident Holder that is an individual (and certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations. Taxable dividends received from the Company, which are designated by the Company as “eligible dividends” will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the rules in the Tax Act. There may be limitations on the ability of the Company to designate dividends as “eligible dividends”.

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, a dividend or deemed dividend received by a Resident Holder that is a corporation may be treated as a capital gain or proceeds of disposition. Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is a “private corporation” or a “subject corporation”, as defined in the Tax Act, will generally be liable to pay an additional tax under Part IV of the Tax Act (refundable in certain circumstances) on dividends received on the Common Shares to the extent such dividends are deductible in computing the Resident Holder’s taxable income for the year. Such Resident Holder should consult their own tax advisors in this regard.

Dispositions of Common Shares and Warrants

A Resident Holder who disposes of or is deemed to have disposed of a Common Share (except in most cases to the Company) or Warrant (other than on the exercise or expiry of a Warrant) will generally realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base to the Resident Holder of the Common Share or Warrant immediately before the disposition or deemed disposition.

Generally, the expiry of an unexercised Warrant will give rise to a capital loss equal to the adjusted cost base to the Resident Holder of such expired Warrant.

Capital Gains and Capital Losses

A Resident Holder will generally be required to include in computing its income for the taxation year of disposition, one-half of the amount of any capital gain (a “taxable capital gain”) realized in such year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will be required to deduct one-half of the amount of any capital loss (an “allowable capital loss”) realized in the taxation year against taxable capital gains realized in such year. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such Common Shares to the extent and under the circumstances specified in the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary, as the case may be. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Other Income Taxes

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional tax on its “aggregate investment income” (as defined in the Tax Act) for the year, including taxable capital gains, which may be refundable in certain circumstances. Such Resident Holder should consult their own tax advisors in this regard.

In general terms, a Resident Holder that is an individual (and certain trusts) that receives or is deemed to have received taxable dividends on the Common Shares or realizes a capital gain on the disposition or deemed disposition of Common Shares or Warrants may be liable for alternative minimum tax under the Tax Act. Such Resident Holders should consult their own tax advisors in this regard.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act: (a) is not, and is not deemed to be, resident in Canada; and (b) does not use or hold the Common Shares or Warrants in connection with carrying on a business in Canada (“**Non-Resident Holder**”). This summary does not apply to a Holder that carries on, or is deemed to carry on, an insurance business in Canada and elsewhere or that is an “authorized foreign bank” (as defined in the Tax Act) and such Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed under the Tax Act to be paid or credited by the Company to a Non-Resident Holder on the Common Shares will be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident. For example, where a Non-Resident Holder is a resident of the United States, is fully entitled to the benefits under the Canada-United States Tax Convention (1980), as amended, and is the beneficial owner of the dividend, the applicable rate of Canadian withholding tax is generally reduced to 15%.

Expiry of Warrants

The expiry of an unexercised Warrant that is, or is deemed to be, “taxable Canadian property” of a Non-Resident Holder for purposes of the Tax Act, will generally result in a capital loss to the Non-Resident Holder equal

to the adjusted cost base of the Warrant to the Non-Resident Holder immediately before its expiry. For a general description of the tax treatment of capital losses, see the discussion above under the heading “Holders Resident in Canada” – “*Capital Gains and Capital Losses*”.

Dispositions of Common Shares and Warrants

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Share or Warrant (nor will capital losses arising therefrom be reported under the Tax Act) unless the Common Share or Warrant (as applicable) is, or is deemed to be, “taxable Canadian property” of the Non-Resident Holder for the purposes of the Tax Act and the Non-Resident Holder is not entitled to an exemption under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident.

Generally, a Common Share or Warrant (as applicable) will not constitute taxable Canadian property of a Non-Resident Holder provided that the Common Shares and Warrant Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which includes the TSX), unless at any time during the 60 month period immediately preceding the disposition, (a) at least 25% of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm’s length, and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships; and (b) at such time, more than 50% of the fair market value the Common Share or Warrant Shares (as applicable) was derived, directly or indirectly, from any combination of real or immovable property situated in Canada, “Canadian resource property” (as defined in the Tax Act), “timber resource property” (as defined in the Tax Act), or options in respect of, interests in, or for civil law rights in such properties, whether or not such property exists. Notwithstanding the foregoing, a Common Share or Warrant may also be deemed to be taxable Canadian property to a Non-Resident Holder under other provisions of the Tax Act.

In cases where a Non-Resident Holder disposes (or is deemed to have disposed) of a Common Share or Warrant that is taxable Canadian property to that Non-Resident Holder, and the Non-Resident Holder is not entitled to an exemption under an applicable income tax convention, the consequences described above under the headings “Holders Resident in Canada — Dispositions of Common Shares and Warrants” and “— Capital Gains and Capital Losses” will generally be applicable to such disposition. Such Non-Resident Holders should consult their own tax advisors.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, counsel to the Company, and Fasken Martineau DuMoulin LLP, counsel to the Agents, based on the current provisions of the Tax Act and the regulations thereunder, in force as of the date hereof, the Unit Shares, Warrants, and Warrant Shares, if issued on the date hereof, would be qualified investments on the date hereof for trusts governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account (collectively referred to as “**Registered Plans**”) or a deferred profit sharing plan (“**DPSP**”), each as defined in the Tax Act, provided that:

- (a) in the case of Unit Shares and Warrant Shares, the Unit Shares or Warrant Shares (as applicable) are listed on a designated stock exchange for the purposes of the Tax Act (which includes the TSX) or the Company qualifies as a “public corporation” (as defined in the Tax Act); and
- (b) in the case of the Warrants, the Warrant Shares are qualified investments as described in (a) above and the Company is not, and deals at arm’s length with each person who is, an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Registered Plan or DPSP.

Notwithstanding the foregoing, the holder or subscriber of, or annuitant under, a Registered Plan (the “**Controlling Individual**”) will be subject to a penalty tax in respect of Unit Shares, Warrant Shares or Warrants held in the Registered Plan if such securities are a prohibited investment for the particular Registered Plan. A Unit

Share, Warrant Share or Warrant generally will be a “prohibited investment” for a Registered Plan if the Controlling Individual does not deal at arm’s length with the Company for the purposes of the Tax Act or the Controlling Individual has a “significant interest” (as defined in subsection 207.01(4) the Tax Act) in the Company. Controlling Individuals should consult their own tax advisors as to whether the Unit Shares, Warrant Shares, or Warrants will be a prohibited investment in their particular circumstances. However, a Unit Share or Warrant Share will not be a prohibited investment for a Registered Plan if such securities are “excluded property” (as defined in subsection 207.01(1) of the Tax Act) for such Registered Plan.

AUDITORS, TRANSFER AGENT AND REGISTRAR

McGovern Hurley LLP is the independent auditor of the Company and is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. McGovern Hurley LLP has confirmed that it is independent of the Company in accordance with the relevant rules and related interpretation prescribed by the Institute of Chartered Professional Accountants of Ontario.

The registrar and transfer agent for the Common Shares is Computershare Investor Services Inc. at its offices in Montréal, Québec.

LEGAL MATTERS

Certain legal matters in connection with this Prospectus Supplement will be passed upon on behalf of the Company by Stikeman Elliott LLP with respect to certain matters of Canadian law, and on behalf of the Agents by Fasken Martineau DuMoulin LLP. As at the date hereof, the designated professionals (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of Stikeman Elliott LLP and Fasken Martineau DuMoulin LLP, each as a group, beneficially own, directly and indirectly, in the aggregate, less than one percent (1%) of the Common Shares.

EXEMPTION FROM NATIONAL INSTRUMENT 44-102

Pursuant to a decision of the *Autorité des marchés financiers* (Québec) dated March 13, 2020, the Company was granted a permanent exemption from the requirement to translate into French this Prospectus, any of the documents incorporated by reference therein into French, or any prospectus supplement to be filed in relation to an “at-the-market” distribution (as such term is defined in National Instrument 44-102—*Shelf Distributions*). This exemption is granted on the condition that this Prospectus and any prospectus supplement (other than in relation to an “at-the-market” distribution) be translated into French if the Company offers securities to Quebec purchasers in connection with an offering other than in relation to an “at-the-market” distribution.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

The following is a description of a purchaser’s statutory rights in connection with any purchase of securities pursuant to the Offering, which supersedes and replaces the statement of purchasers’ rights included in the Shelf Prospectus.

Securities legislation in certain provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two (2) business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces of Canada, 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, revisions 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.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the Warrant is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

Under the Warrant Indenture, original purchasers of Warrants pursuant to the Offering will have a non-assignable contractual right of rescission if this Prospectus Supplement and the Shelf Prospectus (including documents incorporated herein and therein by reference) or any amendment hereto contains a misrepresentation (within the meaning of the *Securities Act* (Ontario) (the "**Securities Act**")), provided such remedy for rescission is exercised within 180 days of the closing of the Offering, following which this contractual right of rescission will be null and void. This contractual right of rescission shall be subject to the defences, limitations and other provisions described under part XXIII of the Securities Act, and is in addition to any other right or remedy available to original purchasers under section 130 of the Securities Act or otherwise at law. For greater certainty, this contractual right of rescission under the Warrant Indenture is only available in connection with a misrepresentation (within the meaning of the Securities Act) and is not a right to withdraw from an agreement to purchase securities within two business days as provided in securities legislation in certain provinces of Canada. Investors are cautioned that in an offering of convertible, exchangeable, or exercisable securities, such as the Warrants, the statutory right of action for damages for a misrepresentation contained herein is limited, in certain provincial securities legislation, to the price at which the Warrants are offered to the public under the Offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the Warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages, or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated December 16, 2021

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

(s) Guy Chamberland

GUY CHAMBERLAND
Chief Executive Officer

(s) Ana Rodriguez

ANA RODRIGUEZ
Director of Financial Planning and Analysis
(acting in the capacity of Chief Financial Officer)

On behalf of the Board of Directors:

(s) Brent Norton

BRENT NORTON
Director

(s) John Kim

JOHN KIM
Director

CERTIFICATE OF THE AGENTS

Dated December 16, 2021

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

RESEARCH CAPITAL CORPORATION

(s) David Keating

DAVID KEATING
Managing Director, Head of Equity
Capital Markets, Co-Head of Capital
Markets

ECHELON WEALTH PARTNERS INC.

(s) Ryan Mooney

RYAN MOONEY
Managing Director, Investment Banking

This short form prospectus is a base shelf prospectus. This short form prospectus has been filed under legislation in each of the provinces of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except in cases where an exemption from such delivery requirement has been obtained.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States of America and, subject to certain exceptions, such securities may not be offered, sold, delivered or otherwise disposed of, directly or indirectly, in the United States of America, its territories, possessions, any State of the United States of America or the District of Columbia (collectively, the "**United States**") or to a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) (a "**U.S. Person**") unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or to, or for the account or benefit of, any U.S. Person. See "Plan of Distribution".

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 Tetra Bio-Pharma Inc. at 2316 St. Joseph Blvd., Orleans, Ontario, K1C 1E8, telephone (438) 899-7575, and are also available electronically at www.sedar.com.

SHORT FORM BASE SHELF PROSPECTUS

New Issue and Secondary Offering

April 1, 2020



TETRA BIO-PHARMA INC.

\$50,000,000

**Common Shares
Warrants
Units**

Debt Securities Subscription Receipts

This short form prospectus (this "**Prospectus**") relates to the offering for sale from time to time by Tetra Bio-Pharma Inc. (the "**Company**" or "**Tetra**") during the 25-month period that this Prospectus, including any amendments hereto, remains effective, of up to \$50,000,000 in the aggregate, in one or more series or issuances, of (i) common shares ("**Common Shares**") in our capital, (ii) warrants to purchase Common Shares or Debt Securities ("**Warrants**"), (iii) units comprised of one or more of any of the other securities described in this Prospectus, or any combination of such securities ("**Units**"), (iv) our debt securities ("**Debt Securities**"), and (v) subscription receipts exercisable for equity securities and/or other securities ("**Subscription Receipts**"). The securities may be offered by us or by our securityholders. The securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of the sale and set forth in an accompanying prospectus supplement.

Our Common Shares are listed on the TSX Venture Exchange (the "**TSXV**") under the symbol "TBP" and the OTCQB® Venture Market (the "**OTCQB**") under the symbol "TBPMF". The closing price of the Common Shares on March 31, 2020, the last trading date before the date hereof, was \$0.24 per Common Share on the TSXV and US\$0.1689 per Common Share on the OTCQB.

As of the date hereof, the Company has three series of outstanding Warrants which are listed and posted for trading on the TSXV under the symbols "TBP.WT", "TBP.WT.A" and "TBP.WT.B" respectively ("**Listed Warrants**"). The closing price of such Listed Warrants on the TSXV on March 31, 2020, the last trading date before the date hereof, was \$0.045, \$0.115, and \$0.065, per Warrant, respectively.

Unless otherwise specified in an applicable prospectus supplement, our Warrants, Units, Debt Securities and Subscription Receipts will not be listed on any securities or stock exchange or on any automated dealer quotation system.

There is currently no market through which our securities, other than Common Shares and Listed Warrants, may be sold and purchasers may not be able to resell such securities purchased under this Prospectus. This may affect the pricing of our securities, other than Common Shares and Listed Warrants, in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of issuer regulation. See "Risk Factors".

The specific terms of securities offered pursuant to this Prospectus will be set forth in a prospectus supplement including, where applicable: (i) in the case of Common Shares, the number of Common Shares offered and the offering price; (ii) in the case of Debt Securities, the aggregate principal amount and offering price, the maturity date, the interest provisions, events of default, redemption or retraction provisions, conversion or exchange rights, whether the debt is senior or subordinated and any other specific terms; (iii) in the case of Subscription Receipts, the number of Subscription Receipts offered, the offering price, the securities issuable in exchange for the Subscription Receipts and any other specific terms; (iv) in the case of Warrants, the number of Common Shares issuable upon exercise thereof, the exercise price and exercise period and the terms of any provisions allowing or providing for adjustments in the exercise price or the number of Common Shares issuable upon exercise thereof; and (v) in the case of Units, the number of Units offered, the offering price and the number of securities included in each Unit. A prospectus supplement may include specific variable terms pertaining to securities that are not within the alternatives and parameters set forth in this Prospectus.

All information permitted under securities legislation to be omitted from this Prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this Prospectus, except in cases where an exemption from such delivery requirements has been obtained. Each prospectus supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the prospectus supplement and only for the purposes of the distribution of the securities to which the prospectus supplement pertains. You should read this Prospectus and any applicable prospectus supplement carefully before you invest in any securities issued pursuant to this Prospectus. This Prospectus may not be used to sell any securities unless accompanied by a prospectus supplement. In connection with any underwritten offering of securities, the underwriters, dealers or placement agents may over-allot or effect transactions which stabilize or maintain the market price of the securities offered at a higher level than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. A purchaser who acquires securities forming part of the underwriters' over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases. See "*Plan of Distribution*".

We or any selling securityholder may offer and sell the securities issued under this Prospectus to or through underwriters, dealers, placement agents or other intermediaries or directly to one or more purchasers, subject in each case to obtaining any required exemptions under applicable securities laws. The distribution of securities under this Prospectus may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed from time to time, at market prices prevailing at the time of sale, or at prices related to such prevailing market prices, or at other negotiated prices, in each case as set forth in the applicable prospectus supplement. The prospectus supplement relating to a particular offering of securities will identify each selling securityholder, underwriter, dealer or agent engaged in connection with an offering and sale of securities pursuant to this Prospectus and will set forth the terms of the offering of such securities, including our proceeds and, to the extent applicable, any fees, discounts, concessions or other compensation payable to the underwriters, dealers or agents, the method of distribution, the initial issue price (in the event that the offering is a fixed price distribution) and any other material terms of the plan of distribution. See "*Plan of Distribution*".

We are a biopharmaceutical company with a clinical program aimed at bringing novel prescription drugs and treatments to patients and their healthcare providers. Investing in our securities is speculative and involves a high degree of risk. An investment in our securities should only be undertaken by those persons who can afford the total loss of their investment. The Securities should be considered speculative due to various factors, including the nature of the Company's business. You should carefully read the "Risk Factors" in this Prospectus (including any prospectus supplement) and in the documents incorporated by reference herein as well as the information under the heading

"Cautionary Note Regarding Forward-Looking Statements". Potential investors are advised to consult their own legal counsel and other professional advisors in order to assess income tax, legal and other aspects of an investment in Tetra.

You should rely only on the information contained in or incorporated by reference into this Prospectus and any applicable prospectus supplement. We have not authorized anyone to provide investors with different information. Information contained on our website shall not be deemed to be a part of this Prospectus (including any applicable prospectus supplement) or incorporated by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the securities. We will not make an offer of these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the face page of this Prospectus or any applicable prospectus supplement.

Our head office and registered office is located at 2316 St. Joseph Blvd., Orleans, Ontario, K1C 1E8, Canada.

No underwriter has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.

TABLE OF CONTENTS

GENERAL MATTERS	1
About this Prospectus.....	1
Interpretation.....	1
Market and Industry Data	1
Currency.....	1
Cautionary Note Regarding Forward-Looking Statements	2
Documents Incorporated by Reference	4
THE COMPANY	5
Corporate Structure	5
Intercompany Relationships	5
DESCRIPTION OF THE BUSINESS.....	8
General.....	8
Biopharmaceutical Segment.....	8
OTC DIN Portfolio	10
Natural Health Segment	10
Pipeline of Products and Clinical Trials.....	11
RECENT DEVELOPMENTS	12
QIXLEEF™	12
Agreement with Alternavida	13
HCC011	13
Agreement with Azevedos	13
DIN Applications.....	13
CAUMZ™	13
Manufacturing Agreement with Vitiprints LLC	14
QUIXLEEF™	14
PPP003.....	14
Agreement with MAKScientific	14
Management Update on COVID-19	15
Recent Financings	16
Variance in Use of Proceeds	16
REGULATORY OVERVIEW	18
RISK FACTORS	20
Risks Related to the Securities of the Company	21
Risks Relating to Tetra and its Business	23
USE OF PROCEEDS	34
EARNINGS COVERAGE	38
CONSOLIDATED CAPITALIZATION	39

OUTSTANDING SECURITY DATA	39
PRIOR SALES	39
MARKET FOR SECURITIES.....	40
DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED.....	42
Common Shares	42
Warrants	42
Units.....	44
Debt Securities	44
Subscription Receipts.....	49
PLAN OF DISTRIBUTION.....	52
New Issue.....	52
Secondary Offering	52
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS.....	53
EXEMPTION FROM NATIONAL INSTRUMENT 44-102	54
AUDITORS, TRANSFER AGENT AND REGISTRAR.....	54
LEGAL MATTERS	54
WHERE YOU CAN FIND MORE INFORMATION	54
PURCHASERS' STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION.....	54
CERTIFICATE OF THE COMPANY	1

GENERAL MATTERS

About this Prospectus

You should rely only on the information contained or incorporated by reference in this Prospectus or any applicable prospectus supplement and are not entitled to rely on only certain parts of the information contained in this Prospectus or any applicable prospectus supplement to the exclusion of the remainder. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not making an offer to sell or seeking an offer to buy the securities offered pursuant to this Prospectus in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this Prospectus or any applicable prospectus supplement is accurate only as of the date on the front of those documents and that the information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this Prospectus or any applicable prospectus supplement or of any sale of our securities pursuant thereto. Our business, financial condition, results of operations and prospects may have changed since those dates.

Interpretation

In this Prospectus and any applicable prospectus supplement, unless otherwise indicated or the context otherwise requires, the terms "Tetra", the "Company" and "we", "us" and "our" are used to refer to Tetra Bio-Pharma Inc.

This Prospectus and any applicable prospectus supplement contain company names, product names, trade names, trademarks and service marks of other organizations, all of which are the property of their respective owners.

Market and Industry Data

Market and industry data that may be contained in this Prospectus and in any applicable prospectus supplement was or will have been obtained from third party sources, such as government or other industry publications and reports, journals, studies and publications, websites and other publicly available information or based on estimates derived from same and management's knowledge of, and experience in, the pharmaceutical industry, markets and economies in which the Company operates. Government and industry publications and reports generally indicate that information has been obtained from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. The Company believes that the industry, market and economic data presented throughout this Prospectus is accurate and, with respect to data prepared by the Company or on the Company's behalf, that the Company's opinions, estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. Further, certain of these organizations are participants in, or advisors to participants in, the pharmaceutical industry, and they may present information in a manner that is more favourable to the industry than would be presented by an independent source. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. While the Company believes this data to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus and any applicable prospectus supplement, analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying industry. Market, economic, industry data and other assumptions relied upon by such sources are subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

Currency

In this Prospectus and any applicable prospectus supplement, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. References to "\$" and "CDN\$" are to Canadian dollars and references to "US\$" and "U.S. dollars" are to United States dollars.

Cautionary Note Regarding Forward-Looking Statements

This Prospectus contains certain information that may constitute "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") which are based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. Such statements can be identified by the use of forward-looking terminology such as "expect," "likely," "may," "will," "should," "intend," "anticipate," "potential," "proposed," "estimate," "believe," "plan," "expect," "forecast" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. The forward-looking statements included in this Prospectus are made only as of the date of this Prospectus. Forward-looking statements in this Prospectus include, but are not limited to, statements with respect to:

- the performance of the Company's business and operations;
- the intention to grow the business and operations of the Company;
- the competitive conditions of the industry;
- the competitive, marketing and commercialization and business strategies of the Company;
- the results of human trials based on the results of research conducted on animals;
- researching and developing products for human use;
- receiving approval by appropriate governing agencies for marketing;
- approval to market and manufacture the developed products;
- volatility in the demand for products;
- competition for, among other things, market share;
- pricing competition for products;
- changes in laws, regulations and guidelines relating to Tetra's business, liabilities inherent in cannabis development operations;
- protection of intellectual property;
- financing risks;
- the anticipated milestones for the development of the Company's clinical program and the commercial launch of its products;
- the grant and impact of any licence or supplemental licence to conduct activities with cannabis or any amendments thereof;
- the anticipated future gross margins of the Company's operations;
- the initiation, timing, cost, progress and success of the Company's research and development programs, preclinical studies and clinical trials;
- the Company's ability to advance product candidates into, and successfully complete, clinical trials;
- the Company's ability to recruit sufficient numbers of patients for future clinical trials;
- the advancement of the Company's business activities in the pharmacy self-care and over-the-counter markets, and the ability of such activities to finance the development of the Company's development and commercialization of cannabis-derived prescription drug programs;
- the Company's ability to achieve profitability;
- the Company's ability to obtain funding for its operations, including funding for research;

- the Company's ability to establish and maintain relationships with collaborators with acceptable development, regulatory and commercialization expertise and the benefits to be derived from such collaborative efforts;
- the implementation of the Company's business model and strategic plans;
- the Company's anticipated regulatory submissions and commercial activities;
- the competitive positioning and advantages of the Company's products and product candidates;
- the discontinuation and monetization of the Company's hemp energy drink business;
- the therapeutic benefits, effectiveness and safety of the Company's product candidates;
- the anticipated impacts of the current COVID-19 crisis on the Company's business, including its clinical trials, and the measures that the Company may put into place to address such impacts; and
- the rate and degree of market acceptance and clinical utility of the Company's future products, if any.

Such statements reflect Tetra's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant medical, scientific, business, economic, competitive, political and social uncertainties and contingencies. However, although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While Tetra is not aware of any misstatement regarding any industry or government data presented herein, the medical cannabis industry involves risks and uncertainties that are subject to change based on various factors. Many factors could cause Tetra's actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. In making the forward looking statements included in this Prospectus, the Company has made various material assumptions, including, but not limited to: (i) enrollment in, completion of and obtaining positive results from clinical trials; (ii) obtaining and maintaining regulatory approvals; (iii) general business and economic conditions; (iv) the Company's ability to develop and commercialize, or otherwise monetize, its product candidates and develop new products; (v) the Company's and competitor's costs of production and operation; (vi) the safety and efficacy of its product candidates and any new products; (vii) the assumption that Tetra's current good relationships with its collaborators, suppliers, joint venture partners and other third parties will be maintained; (viii) the availability of financing on reasonable terms; (ix) the Company's ability to attract and retain skilled staff; (x) the products and technology offered by the Company's competitors; (xi) the Company's ability to protect patents and other proprietary rights including trade secrets; (xii) the Company's ability to integrate acquired or licensed products into the Company's existing pipeline, (xiii) the Company's estimation of the length of the COVID-19 pandemic crisis in North America based on China's experience with its COVID-19 epidemic, and (xiv) the willingness and ability of hospitals and clinics to promptly resume normal operations and to re-allocate resources to the Company's clinical trials once the COVID-19 pandemic will have subsided.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement. In particular, but without limiting the foregoing, disclosure in this Prospectus under "*Description of the Business*" as well as statements regarding the Company's objectives, plans and goals, including future operating results and economic performance may make reference to or involve forward-looking statements. In evaluating forward-looking statements, current and prospective shareholders should specifically consider various factors, including the risks outlined under the heading "*Risk Factors*" in this Prospectus and under the heading "*Risk Factors*" in the Annual Information Form (as defined herein). A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements. The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. Undue reliance should not be placed on forward-looking statements contained in this Prospectus. Forward-looking statements are made as of the date of this Prospectus and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Documents Incorporated by Reference

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference in this Prospectus and not delivered with this Prospectus may be obtained on request without charge from Tetra at 2316 St. Joseph Blvd., Orleans, Ontario, K1C 1E8, telephone (438) 899-7575 or by accessing the disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**"), at www.sedar.com.

The following documents, filed with the securities commissions or similar regulatory authorities in all provinces of Canada are specifically incorporated by reference, and form an integral part of, this Prospectus:

- (a) the annual information form of the Company dated March 30, 2020 for the financial year ended November 30, 2019 (the "**Annual Information Form**");
- (b) the consolidated audited annual financial statements of the Company as at and for the financial years ended November 30, 2019 and November 30, 2018, and related notes thereto, together with the independent auditor's report thereon;
- (c) the amended and restated management's discussion and analysis of the Company for the twelve months ended November 30, 2019;
- (d) the management information circular of the Company dated March 20, 2019 in connection with the special meeting of shareholders of the Company held on April 18, 2019;
- (e) the management information circular of the Company dated May 22, 2019 in connection with the annual and special meeting of shareholders of the Company held on June 20, 2019;
- (f) the material change report of the Company, dated January 30, 2020 in respect of the announcement of its short form prospectus offering of units of the Company, on a bought deal basis;
- (g) the material change report of the Company, dated February 7, 2020 in respect of the reception of a favorable letter from the United States Food and Drug Administration following the Company's Type B meeting for its drug-device combination product CAUMZ;
- (h) the material change report of the Company, dated February 21, 2020 in respect of the completion of its short form prospectus offering of units of the Company, on a bought deal basis; and
- (i) the material change report of the Company, dated March 6, 2020 in respect of the engagement by the Company of Alpha Bronze LLC., an investor relations, management consulting and financial communications firm to implement and execute a comprehensive investor relations and communications program.

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus Distributions* filed with a securities commission or similar regulatory authority in Canada on or after the date of this Prospectus and prior to the expiry of this Prospectus, or the completion of the issuance of securities pursuant hereto, will be deemed to be incorporated by reference into this Prospectus.

A prospectus supplement containing the specific terms of any offering of our securities will be delivered to purchasers of our securities together with this Prospectus (except in cases where an exemption from such delivery requirement has been obtained) and will be deemed to be incorporated by reference in this Prospectus as of the date of the prospectus supplement and only for the purposes of the offering of our securities to which that prospectus supplement pertains.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus will be deemed to be modified, replaced or superseded for

purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies, replaces or supersedes such statement. The modifying, replacing or superseding statement need not state that it has modified, replaced or superseded a prior statement or include any other information set forth in the document that it modifies, replaces or supersedes. The making of a modifying, replacing or superseding statement is not to be deemed an admission for any purposes that the modified, replaced or superseded statement, when made, constituted a misrepresentation, an untrue statement of a 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, replaced or superseded will not be deemed, except as so modified, replaced or superseded, to constitute a part of this Prospectus.

Upon our filing of an annual information form, any subsequent annual information forms or any new annual financial statements and the accompanying management's discussion and analysis, or upon the re-filing of any amended annual information forms, annual financial statements or the accompanying management's discussion and analysis, with applicable securities regulatory authorities during the currency of this Prospectus, the previous, if applicable, annual information form, annual financial statements and management's discussion and analysis and all quarterly financial statements, supplemental information, material change reports and information circulars filed prior to the commencement of our financial year in which a new annual information form is filed will be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of our securities under this Prospectus.

Upon interim consolidated financial statements and the accompanying management's discussion and analysis being filed by us with the applicable securities regulatory authorities during the duration of this Prospectus, all interim consolidated financial statements and the accompanying management's discussion and analysis, filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated into this Prospectus for the purposes of future offers and sales under this Prospectus.

References to our website in any documents that are incorporated by reference into this Prospectus do not incorporate by reference the information on our website into this Prospectus, and we disclaim any such incorporation by reference.

THE COMPANY

Corporate Structure

Tetra was incorporated under the name Mazorro Resources Inc. ("**Mazorro**") under the *Canada Business Corporations Act* (the "**CBCA**") on May 17, 2007. On December 29, 2014, GrowPros MMP Inc. completed an amalgamation transaction with Mazorro and 9048073 Canada Inc., a wholly-owned subsidiary of Mazorro incorporated to effect the amalgamation. As a result of a share exchange in connection with the amalgamation, control of the combined companies passed to the former shareholders of GrowPros MMP Inc., which for accounting purposes was deemed to be the acquirer. As part of the amalgamation agreement, Mazorro changed its name to "GrowPros Cannabis Ventures Inc".

On September 28, 2016, the Company formally changed its name from GrowPros Cannabis Ventures Inc. to Tetra's current name. The Common Shares were listed for trading on the Canadian Securities Exchange ("**CSE**") under the symbol "TBP" and the OTCQB under the symbol "TBPMF".

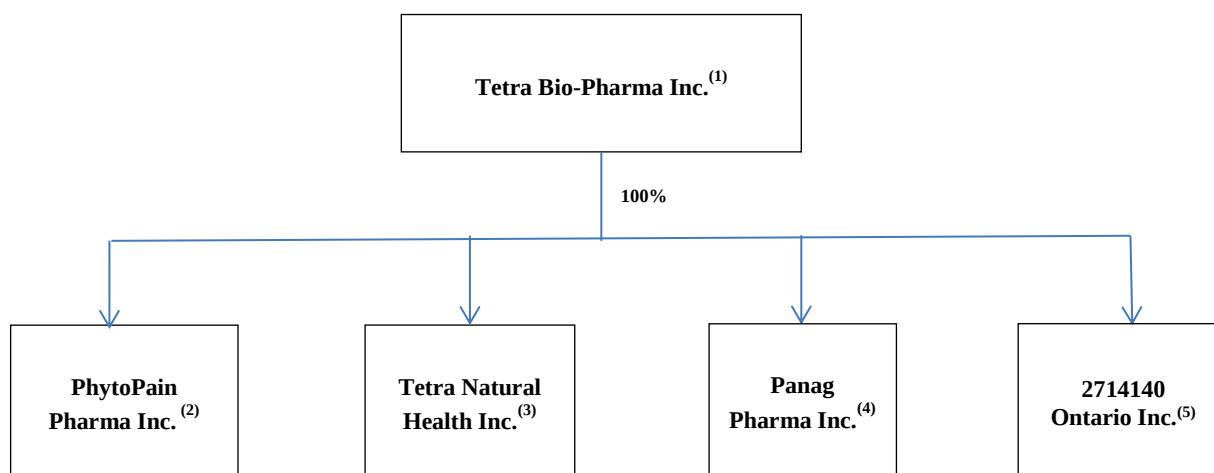
On August 16, 2017, the Company's Common Shares were delisted from the CSE and were listed for trading on the TSXV under the symbol "TBP" and the OTCQB under the symbol "TBPMF".

Intercorporate Relationships

The Company has three active subsidiaries: PhytoPain Pharma Inc. ("**PhytoPain**"), Tetra Natural Health Inc. ("**Tetra Natural Health**") and Panag Pharma Inc. ("**Panag**"). On August 30, 2019, the Company incorporated 2714140 Ontario Inc. as a wholly-owned subsidiary for the purpose of divesting the Company's Hemp Energy Drink ("**HED**") business, previously operated by Tetra Natural Health. See "*Hemp Energy Drink*" below for additional

information. On January 23, 2020, an inactive subsidiary of the Company named Grow Pros Agro-Tek Inc. was dissolved. As at the date of this Prospectus, Minerra Mazorro s.r.l. de c.v. remains the only inactive subsidiary of the Company, which the Company intends to dissolve in the future.

The following chart illustrates, as of the date of this Prospectus, the Company's corporate structure, describing the Company's active subsidiaries:



(1) Incorporated under the CBCA.

(2) Incorporated under the CBCA and whose principal activity is cannabis and cannabinoid drug development and related clinical trials.

(3) Incorporated under the CBCA and whose principal activity is commercialization of natural health and self-care products.

(4) Incorporated under the *Companies Act* (Nova Scotia). Panag was acquired on May 1, 2019 pursuant to a share purchase agreement dated January 31, 2019.

(5) Incorporated under *Business Corporations Act* (Ontario) for the purpose of divesting the Company's HED business, previously operated by Tetra Natural Health. See "*Hemp Energy Drink*" below for additional information.

Shared ventures

During the last financial year, and as more fully described below, the Company has entered into agreements to form shared ventures to develop and commercialize drugs and wellness supplements.

SHARED VENTURE	PRINCIPAL ACTIVITIES
CB2 Therapeutics Inc.	Development and commercialization of medicines and wellness supplements for management of chronic inflammatory conditions
TALLC Corporations Inc.	Development of drugs to treat acute post operative pain in a hospital setting

CB2 Therapeutics Inc.

On August 21, 2019, the Company announced it signed an agreement with Thorne Research Inc. and Onegevity Health LLC to form a shared venture named CB2 Therapeutics Inc. ("**CB2 Therapeutics**"), a company focused on leveraging the power of the endocannabinoid system using innovative multi-omics and multi-targeted therapeutic options in the management of chronic inflammatory conditions.

CB2 Therapeutics has been structured as a shared venture using the intellectual property of the three companies on a royalty-free license in order to develop and commercialize a global product for chronic inflammatory conditions with high unmet needs or that are poorly served with existing therapies. In addition, as part of the agreement, CB2 Therapeutics would also commercialize wellness supplements in the United States through its partnership with Thorne Research Inc.

TALLC Corporations Inc.

On April 29, 2019, the Company announced it entered into an agreement with Altus Formulations to form a shared venture, which was later formed under the name TALLC Corporations Inc. The purpose of this shared venture is the development of a series of cannabinoid-receptor targeted therapeutics to treat acute post operative pain in a hospital setting. As at the date of this Prospectus, the activities being performed by the Company related to this shared venture are minimal.

Hemp Energy Drink

On August 30, 2019, the Company incorporated 2714140 Ontario Inc. as a wholly-owned subsidiary for the purpose of divesting the Company's HED business, previously operated by Tetra Natural Health. The HED assets were transferred into this subsidiary and made the subject of a sales process on August 31, 2019, following a strategic review by the Company.

On November 18, 2019, the Company announced that 2714140 Ontario Inc. had secured financing from AIP Asset Management Inc. in the amount of up to \$3,000,000 through the issuance of convertible notes (the "**Convertible Notes**"), to purchase the full rights to the HED formulation. This financing has been raised to support ongoing operations of the HED business until the Company and AIP Asset Management Inc. successfully monetize the HED business through a spin-off or other type of liquidity event (each a "**Liquidity Event**").

The Convertible Notes will mature in the second quarter of 2021 and bear interest at a rate of 15% per annum. The Convertible Notes are secured by a security interest on all present and future acquired property of 2714140 Ontario Inc. The principal amount of the Convertible Notes and all accrued and unpaid interest thereon are due and payable by 2714140 Ontario Inc. in full on the maturity date. Therefore, none of the principal amount or accrued interest is payable in the next 12 months.

Upon a future Liquidity Event, the Convertible Notes are convertible into warrants of 2714140 Ontario Inc., exercisable at 75% of fair market value of the shares of 2714140 Ontario Inc., and common shares of 2714140 Ontario Inc. at a 25% discount. Tetra has guaranteed 2714140 Ontario Inc.'s obligations under the Convertible Notes. Subject to approval from the TSXV, Tetra may elect to issue Common Shares to repay any amount due on the Convertible Notes by way of a shares for debt transaction. Should the TSXV not approve such a transaction, Tetra will be obligated to repay the amount due in cash.

The proceeds raised from the sale of the Convertible Notes allow 2714140 Ontario Inc. to manufacture and distribute HED worldwide and fund ongoing operations for the HED business. As at the date of this Prospectus, 2714140 Ontario Inc. has received \$2,000,000 in consideration for the issuance of the Convertible Notes and has access to the additional \$1,000,000 Convertible Notes to support the development of the HED business. These funds may only be used by 2714140 Ontario Inc. for the operations of the HED business and are therefore not available to be used by the Company to advance its business strategy. The Company considers that the funds raised by the issuance of the Convertible Notes (being \$2,000,000 as at the date of this Prospectus and another \$1,000,000 which remain available under the Convertible Notes) are sufficient to support and fund the ongoing operations of the HED business, and given the intent of the Company to discontinue the HED business, the Company does not intend to allocate any of its funds to this business. Therefore, none of the working capital of the Company is being allocated to the HED business. To the extent that the HED business was to require additional working capital, 2714140 Ontario Inc. would draw the additional \$1,000,000 which remains available to it under the Convertible Notes.

The intent of the Company is to complete a spin-off or other type of monetization transaction prior to the maturity date of the Convertible Notes, and to repay the Convertible Notes as part of such spin-off or transaction. To the extent that 2714140 Ontario Inc. was unable to complete a Liquidity Event in the next twelve months, and should 2714140 Ontario Inc. default on payment, the Company would first use its commercially reasonable efforts to obtain approval from the TSXV to repay the Convertible Notes through the issuance of Common Shares as a "shares-for-debt" transaction under the rules of the TSXV, failing which the Company would re-allocate some of its funds to be able to repay the Convertible Notes.

DESCRIPTION OF THE BUSINESS

General

Tetra is a biopharmaceutical company primarily focused on developing proprietary and scientifically validated cannabinoid-based medicines to relieve symptoms associated with chronic pain and ophthalmic diseases.

Tetra's secondary focus is its natural health division, operated by its subsidiary Tetra Natural Health, aimed at developing and marketing Health Canada and the United States Food and Drug Administration ("**FDA**") approved non-cannabinoid based natural health products and drug products authorized for sale OTC.

The Company has three active wholly owned operational subsidiaries: PhytoPain, Panag and Tetra Natural Health. See "*Description of the Business – Intercompany Relationships*".

The Company operates in two segments of operations:

1. **Biopharmaceutical:** Development of cannabinoid-based medicines in ophthalmology (treatment of eye diseases), anti-cancer (treatment of the cancer) and chronic pain (cancer and non-cancer pain);
2. **Natural Health:** The development and marketing of non-cannabinoid based natural health products authorized for sale OTC in Canada by Health Canada and in the United States by the FDA.

Phytopain operates in the biopharmaceutical segment while Panag and Tetra Natural Health operate in both the biopharmaceutical and natural health segments.

Biopharmaceutical Segment

The Company's biopharmaceutical segment focuses on the development and commercialization of cannabinoid-based drugs discovery and development in ophthalmology (treatment of eye diseases), cancer (treatment of cancer), chronic pain and orphan diseases.

Through its biopharmaceutical segment, the Company combines the traditional methods of medicinal cannabis use with the supporting scientific validation and safety data required for inclusion into the existing biopharma industry by regulators, physicians and insurance companies. The Company's initial focus is in the therapeutic areas of oncology, ophthalmology and chronic pain in humans through a robust pipeline using multiple delivery systems. The Company's secondary focus in its biopharmaceutical segment is veterinary ophthalmology. To distinguish itself, the Company's business model is supported by three key pillars:

1. **Clinical trials:** Clinical trials are an essential component of Tetra's drug discovery and development programs. Pioneering research initiatives form the cornerstone upon which the Company is built.
2. **Patented formulations and delivery systems:** The Company has both granted patents and filed patent applications. In the ophthalmic space, Tetra has patents issued and further patents have been filed. For the composition and methods for treatment of ocular inflammation and pain and delivery of cannabis derived drugs for inhalation. The Company uses advanced medical devices, formulations and delivery systems to optimize patient care.
3. **Pharmaceutical quality:** Quality is at the forefront of what the Company does. Tetra is dedicated to providing exceptional pharmaceutical products to ensure efficacy and safety. Further, we manufacture under good manufacturing practice ("**cGMP**") regulations which comply with the FDA, Health Canada and other regulators standards.

The Company has three products in late phase drug development (CAUMZ™, QIXLEEF™ and PPP002). Through its clinical trial data and inhalation research, the Company developed intellectual property to create new

generations of cannabinoid drugs that are synthetic or isolate based. This research allowed the Company to create a synthetic drug CAUMZ™ for advanced cancer patients from its research on the plant-derived drug QIXLEEF™.

Following a strategic review of the Company's core assets, management of the Company decided to prioritize the development of its CAUMZ™ (PPP011) inhalation drug for the treatment of cancer cachexia patients. The Company's short-term objective is to focus on its CAUMZ™ pivotal clinical trials for cancer cachexia (SERENITY®), QIXLEEF™ (PPP001), and a new cancer treatment against hepatocellular carcinoma (HCC011). HCC011 is similar to CAUMZ™ without any cannabidiol. HCC011 has an Orphan Drug Designation status from the FDA. After modifying the raw material specifications for its drug product QIXLEEF™, Tetra submitted a clinical trial application (IND) to the FDA for a pivotal study. In November 2019, the FDA authorized the start of this clinical trial after reviewing safety and quality data for the drug QIXLEEF™. On January 13, 2020, the Company received a favorable letter of advice from the FDA for QIXLEEF™. On January 30, 2020, the Company received a response from the FDA following its Type B meeting for CAUMZ™. Refer to "*Recent Developments*" for additional information.

In parallel, Tetra intends to continue to develop CAUMZ™ in fibromyalgia and breakthrough cancer pain (REBORN®) indications. REBORN® is a head to head comparative study assessing CAUMZ™ as an alternative to morphine sulfate (short-acting opioids) for breakthrough pain in cancer patients. The Company believes these supplemental applications will build on the marketing exclusivity anticipated to be obtained for CAUMZ™ Kit and expand the target market size. If approved by Canadian and American regulatory agencies, this would allow Tetra to enter into a therapeutic market with unmet needs.

While the QIXLEEF™ and CAUMZ™ drug development programs remain short-term priorities, current and prospective investors are cautioned that such programs may be delayed or disrupted by the current COVID-19 pandemic. Although the Company has not yet experienced any significant delays or disruptions in its business activities as a result of the current COVID-19 pandemic, the Company expects that, during the next 12 months, the Company's operations could be significantly delayed or disrupted as a result of the current COVID-19 pandemic as a consequence of (i) hospital and clinical resources being diverted to the treatment of patients suffering from COVID-19 and the testing of potential infected individuals, as well as research for potential treatments and vaccines for COVID-19, and (ii) governmental agencies experiencing delays or disruptions due to a lack of resources or personnel or other business interruptions caused by the current COVID-19 pandemic. Due to the speed at which the situation has been developing and the uncertainty of its magnitude, outcome and duration, the Company is not able at this time to estimate with certainty the future impact of COVID-19 on its operations, and whether its clinical trials and regulatory filings will in fact be significantly delayed or disrupted. However, based on the recent experience in China, where the epidemic has started to subside, the Company expects that its clinical trials would be delayed or disrupted during at least three to four months. See "*Recent Developments – Management Update on COVID-19*" for additional information. Because it is currently not possible to accurately assess the magnitude, outcome and duration of the COVID-19 crisis, such crisis may have a longer duration or may result in additional delays or disruptions which are not foreseeable by the Company as at the date of this Prospectus. In such event, the Company may need to prioritize other projects. See "*Risk Factors – COVID-19 Pandemic*".

The Company acquired Panag as part of its vertical growth strategy and to ensure a pipeline of products for development and commercialization, notably its ophthalmic drug products for which the Company met with the FDA to discuss its clinical development program in June 2019. On May 2, 2019, Tetra obtained authorization from Health Canada to perform a clinical trial in dogs suffering from a painful eye disease. Panag's HU-308 (PPP003), a human product, is at the preclinical stage of development (IND-enabling toxicology studies). On February 20, 2020, the Company announced the initiation of its clinical trial for its synthetic cannabinoid therapy for the treatment of ophthalmic eye pain in the veterinary setting. Refer to "*Recent Developments*" for additional information.

In partnership with a veterinary ophthalmology team, the Company initiated the treatment phase proof of concept clinical trial in companion dogs with complications of indolent corneal ulcers. The first dog was treated on February 21, 2020. This Health Canada approved trial is designed to evaluate the safety, tolerability and potential efficacy of HU-308v (PPP003v), the Company's synthetic cannabinoid therapy, to ameliorate symptoms of this painful eye disease in dogs (the "v" designation is to denote veterinary application). Canine indolent corneal ulcers occur frequently in specific breeds of dogs. Corneal ulcers are one of the most common painful eye disorders seen by veterinarians and untreated can cause severe pain, inflammation, scarring and vision loss.

In the event that the COVID-19 crisis has a longer duration than currently estimated by management of the Company, based on the evolution of the COVID-19 epidemic in China, and that additional delays and disruptions are caused to the Company's clinical trials and regulatory filings, the Company expects that it would, amongst other things, prioritize the development of its PPP003 drug program, including the acceleration of its HU-308 projects. The Company would prioritize these projects because they have a lower barrier to entry since HU-308 does not involve "controlled substances" or substances regulated under the *Cannabis Act* (Canada). However, the Company expects that obtaining an import-export permit for these drugs could be delayed due to a redirection of Health Canada's priorities during the COVID-19 crisis. See "*Recent Developments – Management Update on COVID-19*" and "*Risk Factors – COVID-19 Pandemic*" for additional information.

OTC DIN Portfolio

Tetra's OTC drug product line will contain beta-caryophyllene and will act on the CB2 receptors. Clinical trial data is not required to support its DIN applications. Tetra created this product line to bring self-care therapies to pharmacies and their consumers.

In November 2019, the Company completed the development and had submitted applications for two other OTC DINs:

- TERPACAN™ Hemorrhoids: a cream containing Beta C + Benzocaine to be used in treating hemorrhoids; and
- TERPACAN™ Back and Muscle Pain: a gel containing Beta C + Trolamine to be used for temporary relief of aches and pains of muscles and joints associated with backache, lumbago, strains, bruises, sprains and arthritic or rheumatic pain and pain of tendons and ligaments.

In January 2020, Health Canada approved the applications and granted the Company the two new OTC DINs. Refer to "*Recent Developments*" for additional information. Tetra continues to discuss expanding in the United States and other countries around the world through an out-licensing strategy with commercial partners.

Natural Health Segment

The Company's natural health segment and OTC product candidates will be commercialized by Tetra Natural Health along with strategic partnerships for Canada and with commercial partners for the United States and other countries through an out-licensing strategy.

Tetra Natural Health's product portfolio includes AWAYE™, a topical cream aimed at the temporary relief of muscle and joint aches and pains due to backache, strains, sprains and arthritis, and the following products:

- AWAYE™ PLUS: A topical cream aimed at targeting pain and inflammation in patients suffering from general neuropathic pain ("**GNP**");
- AWAYE™ ColdSore: A topical cream for the relief of symptoms associated with cold sores and oral herpes; and
- Beta C + Zinc: a topical cream for relief of symptoms associated with cold sores, and oral herpes.

AWAYE™ contains a combination of cannabinoid and non-cannabinoid ingredients specifically developed to activate the body's CB2 receptors in the endocannabinoid system to relieve pain, while also activating the TRPV1 receptors to reduce pain transmission. In the third quarter, Panag finalized its pivotal clinical trial evaluating AWAYE™'s safety and efficacy for pain caused by osteoarthritis of the knee.

Pipeline of Products and Clinical Trials

Several trials are planned, pending regulatory approval, for the Company's cannabinoid drug products: CAUMZ™ in Canada, Mexico and the United States in patients with advanced cancer and breakthrough pain, QIXLEEF™ in the United States with advanced cancer, PPP002 mucoadhesive tablet, one with PPP003 in dogs with eye pain, and another with PPP003 in humans with painful dry eye.

The table below provides a summary comparison of the planned trials versus the general drug development phases for the biopharmaceutical and natural health segments.

Development Phase	Products in Development						
	PPP001 (QIXLEEF™)	PPP011 (CAUMZ™) (SERENITY®) (REBORN®) (fibromyalgia products)	PPP002 (IntelGenx) (OpioSpare®) (CINV)	PPP003 Ocular (Panag Pharma) veterinary	PPP003 (HU-308) Ocular (Panag Pharma) (Painful Dry Eye) (Uveitis)	PPP004 Topical cream (Panag Pharma)	HCC011
Discovery and Lead selection	Not required. Formulation based on cannabinoid pharmacology.	Bridge to QIXLEEF™	Not required. Formulation based on cannabinoid pharmacology.	Many years of discovery performed by Panag.	Many years of discovery performed by Panag.	Formulation based on cannabinoid pharmacology.	Formulation based on published preclinical studies demonstrating anticancer activity.
Preclinical pharmacology and toxicology	Not required; formulation based on body of public scientific data.	Bridge to QIXLEEF™	Not required. Formulation based on scientific literature.	Nonclinical safety studies performed in rats and rabbits.	Nonclinical safety studies performed in rats and rabbits.	Not required; formulation based on scientific literature.	Based on safety information from CAUMZ™ and published information for THC.
Phase 1: safety testing in healthy human volunteers.	Executed study is in healthy volunteers (male and female) to assess the safety, pharmacokinetics and define side effects including the influence on cognitive function. Phase 1 trial with titanium pipe and Mighty Medic completed.	Bridge to QIXLEEF™	Pharmacokinetic study performed in healthy volunteers. Safety was established with Dronabinol. Planned comparative pharmacokinetic study for 505(b)(2).	Proof of concept and safety trial authorized by Health Canada Q1 2019.	Not required. Formulation to be tested in patients. Type B meeting with FDA on June 17, 2019 to validated development plan.	Not required; formulation to be tested in patients with chronic pain.	Not required. Safety based on CAUMZ™ inhalation program and HCC011 bridge to CAUMZ™.
Phase 2: dose finding to define the potential efficacious dose and frequency of administration.	Not required. Doses based on medical cannabis use and Phase 1 data.	Bridge to QIXLEEF™	Planned study is proof-of-concept in cancer patients.	A multisite pivotal trial to be performed in North America.	Will be part of a Phase 1/2 first in human study.	Will be part of a Phase 1/2 first in human study with the creams (several formulations to be tested).	No comparator, single arm clinical trial to demonstrate the effect of HCC011 on tumor size/progression.

Development Phase	Products in Development						
	PPP001 (QIXLEEF™)	PPP011 (CAUMZ™) (SERENITY®) (REBORN®) (fibromyalgia products)	PPP002 (IntelGenx) (OpioSpare©) (CINV)	PPP003 Ocular (Panag Pharma) veterinary	PPP003 (HU-308) Ocular (Panag Pharma) (Painful Dry Eye) (Uveitis)	PPP004 Topical cream (Panag Pharma)	HCC011
Phase 3: trials performed to demonstrate the safety and efficacy of the product in the intended patient population. These trials are the key studies used to obtain marketing approval.	First Phase 3 study terminated early due to impurities in active pharmaceutical ingredient. FDA authorized PLENITUDE® pivotal trial in the United States.	Bridge completed. Opening clinical sites across Canada and the United States (i.e., obtaining ethics approval from Institutional Review Boards and Schedule 1 licenses from the DEA).	Demonstrate safety and efficacy if successful Phase 2.	Requirement for second pivotal trial to be discussed with Health Canada and FDA.	Demonstrate safety and efficacy if successful Phase 2.	Tetra intends on demonstrating that the cream is safe and efficacious for the temporary relief of general neuropathic pain.	Would be performed post accelerated approval.
Expanded Access Program		Right to Try access in the United States is planned. To be re-Initiated in parallel to Phase 2-3 trial; CAUMZ™ as an alternative for breakthrough pain; fibromyalgia with CAUMZ™.	Not applicable	Not applicable	Not applicable	Not applicable	To be initiated in parallel to Phase 2 trial.
Phase 4: also known as post-marketing trials.	European submission under medicinal herbal drug regulations is ongoing.	Product launch: Post-marketing trials with United States oncology centres and KOLs.	Not applicable	Not applicable	Not applicable	Not applicable	Product launch after accelerated approval. Phase 3 will replace the Phase 4 since this is an accelerated path.

Further details concerning our business, including information with respect to our assets, operations and development history, are provided in our Annual Information Form and the other documents incorporated by reference into this Prospectus. See "*Documents Incorporated by Reference*".

RECENT DEVELOPMENTS

QIXLEEF™

On November 25, 2019, the FDA authorized the advancement of PLENITUDE®, the Company's clinical trial for its investigational therapeutic QIXLEEF™, for the treatment of uncontrolled pain in advanced cancer patients. The study was allowed to proceed by the FDA after a review of the Company's quality file, including mycotoxin

quality information, and after ensuring the safety assessments were adequate to protect patients. Following such, Tetra began activities to resume this clinical trial program and initiate enrollments.

On January 13, 2020, the Company received a favorable letter of advice from the FDA for QIXLEEF™. The letter provided scientific guidance on the Company's quality file including aspects such as reporting of volatile organic compounds contained in the drug product. It provided further insight into the January 26, 2017 Type B meeting with the FDA with regards to the requirements for drug approval for a non-serious condition such as uncontrolled pain as a second- or third-line therapy.

Agreement with Alternavida

On December 2, 2019, the Company announced that it had signed a definitive co-development and commercialization agreement with Alternavida S.A. de C.V. ("**Alternavida**") for the clinical development, marketing and distribution of CAUMZ™ in Mexico.

Clinical development and commercialization agreement with Alternavida will provide Tetra with a non-dilutive funding by fully subsidising two completely FDA and Health Canada compliant clinical trial sites in Mexico for the SERENITY® and fibromyalgia trials. Alternavida will also be responsible for registering and commercializing CAUMZ™ in Mexico. Under terms of the agreement, Alternavida has been granted a Right of First Refusal to commercialize CAUMZ™ in eight additional countries including Colombia, Ecuador, Chile, Panama, Costa Rica, Honduras, Peru and the Dominican Republic. Tetra will also receive a one-time license fee of CAD\$125,000 as well as royalties on CAUMZ™ sales in Mexico of 10% in year one, 12.5% in year two, and 15% in years three to fifteen.

HCC011

On December 4, 2019, the Company announced it had received the FDA Orphan Drug Designation for delta-9-tetrahydrocannabinol in the treatment of hepatocellular carcinoma. The Company is now accelerating the development of this product and will be requesting a Type B meeting with the FDA to define the requirements for marketing approval. Anticancer drugs are generally approved (i.e., accelerated approval) after the conduct of a Phase 2 pivotal trial with demonstration of no tumor progression.

Agreement with Azevedos

On December 16, 2019, the Company announced the entering into a definitive agreement with Azevedos Indústria Farmacêutica, S.A. ("**Azevedos**") for the marketing and distribution of CAUMZ™ in Portugal. Under the terms of the agreement, Tetra will receive milestone payments and profit sharing on all sales of CAUMZ™ in Portugal. In return, Azevedos will be responsible for registering the product, manufacturing, as well as all marketing and distribution in Portugal.

DIN Applications

On January 17, 2020, Tetra announced that Health Canada granted to Tetra two Drug Identification Numbers ("**DIN**") for its first OTC products to be marketed under its TERPACAN™ banner.

TERPACAN™ (hemorrhoids) is a topical formulation that will be used for the treatment of hemorrhoids, an itchy, painful and common condition affecting thousands of Canadians. TERPACAN™ (back & muscle pain) is indicated for the temporary relief of aches and pains of muscles and joints associated with backache, lumbago, strains, bruises, sprains, arthritic or rheumatic pain and pain of tendons and ligaments.

CAUMZ™

On January 30, 2020, the Company received a response from the FDA following its Type B meeting for CAUMZ™.

Based on the FDA decisions and guidance, CAUMZ™ may benefit from three regulatory decision-programs: (i) approval for review under 505(b)(2), which may result in lower overall costs; (ii) FDA conditions met for fast track designation, which may reduce review time; and (iii) the accelerated approval regulatory program, which may reduce the time to market. With the FDA's response, the Company believes that it has two novel drug products that will be well differentiated from a medical point of view: QIXLEEF™, which will continue to be developed as a drug-device combination product, and will benefit from the botanical aspects of the drug and be evaluated by the analgesic drug division; and CAUMZ™, which will be developed as a drug-device combination product with the drug component being a drug-drug combination product and it will be evaluated by the oncology drug division of the FDA.

On February 25, 2020, the Company announced its first indication for CAUMZ™ as well as an additional potential short-term savings of \$9,000,000. To ensure minimal time to market, CAUMZ™ will first target cancer cachexia patients that have an incurable and malignant cancer that is refractory to treatment. CAUMZ™ is designed to prolong survival and improve quality of life and the patient's day-to-day functioning.

Manufacturing Agreement with Vitiprints LLC

On February 13, 2020, the Company announced the entering into a definitive manufacturing agreement with Vitiprints LLC ("Vitiprints") for the commercial scale production of CAUMZ™ and HCC011. This agreement will further protect CAUMZ™ and HCC011 with four additional patents on manufacturing know-how. Under the terms of the agreement, Tetra has obtained a Vitiprints exclusive license to use Vitiprints proprietary and patented manufacturing system for commercial manufacturing of CAUMZ™ and HCC001 at high speed and volume in a manner that will permit it to be used in a vaporization system. This proprietary technology will operate under pharmaceutical cGMP regulations and will ensure a "pill-to-pill" consistency that meets inhalation drug standards. In return, Tetra will be required to make milestones and royalty payments on CAUMZ™ sales.

QIXLEEF™

On February 24, 2020, Tetra updated that it had received FDA's authorization to proceed with QIXLEEF™'s clinical trial PLENITUDE® in the USA. Following a Type B meeting, the FDA confirmed areas where Tetra could obtain a waivers for some of the nonclinical safety requirements based on the target patient population. This confirmation was critical as it confirms Tetra's understanding of the regulatory requirements. This FDA authorized clinical trial assesses the clinical impact of QIXLEEF™ in advanced cancer patients with uncontrolled pain. A successful PLENITUDE® clinical program will allow Tetra to commercialize the world's first dried flower botanical cannabinoid drug product for the treatment of pain in patients with an advanced refractory cancer.

PPP003

On February 20, 2020, the Company announced the initiation of its clinical trial for its synthetic cannabinoid therapy for the treatment of ophthalmic eye pain in the veterinary setting. The Health Canada approved trial is designed to evaluate the safety, tolerability and potential efficacy of PPP003, the Company's synthetic cannabinoid therapy, to ameliorate symptoms of ocular pain and inflammation in companion animals. This study will be the first time a synthetic cannabinoid agent is used in companion animals with the goal of providing pet owners with an alternative ophthalmic pain medication.

Agreement with MAKScientific

On February 27, 2020, the Company announced the entering into a co-development definite agreement with MAKScientific. Under this agreement, MAKScientific will develop new molecules that will be screened by Tetra for potential efficacy in various indications including cancer, pain and inflammation as well as other potential targets of interest to Tetra. This agreement provides Tetra with access to novel patented new molecules with CB1 and CB2 agonist or antagonist properties. In the long term, this agreement secures patented new drug candidates for Tetra to develop after CAUMZ™ and QIXLEEF™ receive marketing approval.

Management Update on COVID-19

On March 23, 2020, the Company provided an update from management on the COVID-19 pandemic. The Company disclosed that it has ensured that all of its employees work under conditions that comply with federal and provincial public health recommendations. In addition, the Company confirmed that its regulatory activities have not, for the time being, slowed down despite the COVID-19 crisis. These activities are now performed by Tetra's employees from their home offices.

The Company also confirmed that it intends to continue all planned Clinical Trial Applications ("CTA"), DIN applications, veterinary drug clinical trial applications (Experimental Studies Certificate; ESC) and Pre-Submission meetings in Canada and Investigational New Drug Applications (IND), veterinary IND applications, Pre-IND meetings ("PIND") (including Type B and C meetings) and Orphan Drug Designation applications in the United States. The Company also confirmed that it intends to continue its European regulatory activities as planned.

The Company also disclosed that its clinical research team is working to increase the number of clinical sites in Canada and the USA so that it can accelerate the enrolment of patients when the COVID-19 crisis is over.

To date, the Company's ophthalmic clinical trial has been moving along as per expected timelines. Half of the canine patients have completed the treatment phase of the study, and no treatment-related adverse event has occurred. Tetra expects to complete this trial in the second quarter of 2020 or early in the third quarter of 2020 and will then report the key outcomes of the study. The Company has already begun planning the second trial for the treatment of canine indolent corneal ulcers. This second trial will involve regulatory filings in both Canada and the USA. The IND-enabling toxicology studies with HU308 for the human ocular trials are continuing as planned.

The Company also disclosed that, during this crisis period, Tetra intends to submit both an IND and CTA to initiate a clinical trial in Canada and the USA for its Orphan Drug HCC011. The Company intends to move forward with its PIND meeting request to discuss with the FDA the marketing requirements for this Orphan Drug that would benefit from FDA's expedited programs as well as the 505(b)(2) NDA (New Drug Application) regulatory pathway.

The Company also disclosed that SERENITY® and REBORN® activities are expected to slow down as a result of the COVID-19 crisis. However, the extent of any delays in the clinical activities is currently unknown and will be dependent on the ultimate effect that the COVID-19 crisis has on factors such as availability of physicians, clinics and enrolment. As the crises evolves, hospital-based physicians have been increasingly mobilized to treat individuals infected by the COVID-19 virus. The Company has therefore immediately begun procedures to increase the number of clinical sites, to counteract the potential declines in enrolment rates. See "*Description of the Business – Biopharmaceutical Segment*" for additional information regarding the Company's business plan with respect to SERENITY® and REBORN®.

In addition, the Company disclosed that in the short term, it has decided to prioritize obtaining critical clinical research data that had previously been planned for late 2020. The clinical outcomes from these studies will provide important scientific and medical information on CAUMZ™ and HCC011. This information is required for the marketing application for any new drug.

The Company also disclosed that it has communicated with all of its drug suppliers, including those that produce THC, cannabidiol, HU308 and QIXLEEF™. The current assessment provided to Tetra by these firms is that the COVID-19 crisis is not expected to significantly affect supply of the clinical research medications. Tetra also expects that its main QIXLEEF™ clinical site should be minimally affected by the crisis as it is a private clinic and not a hospital.

Finally, the Company disclosed that the research and development activities conducted by Panag and TALLC Corporation are expected to continue as planned. The pre-commercialization activities conducted by CB2 Therapeutics are expected to continue as planned.

The current COVID-19 pandemic is a rapidly evolving crisis and it is difficult for the Company to accurately assess the impact of the current COVID-19 pandemic on the Company's business. Tetra will continue to actively

monitor the situation to assess the impact of the current COVID-19 pandemic on the Company's business and take appropriate measures to diminish such impacts.

See "Risk Factors – COVID-19 Pandemic" for additional information relating to the COVID-19 pandemic.

Recent Financings

Contribution from ACOA

On July 11, 2019, Panag received a repayable Government of Canada contribution of \$500,000 through the Atlantic Canada Opportunities Agency's (ACOA) Business Development Program (the "**ACOA Financing**"). The Program creates opportunities for economic growth in Atlantic Canada by helping businesses become more competitive, innovative and productive.

The contribution was partially used to support the commercialization of AWAYE™, a topical OTC medication for the temporary relief of aches and pains of muscles and joints associated with one or more of strains/sprains involving muscles, tendons, and/or ligaments, arthritis, simple backache and/or lumbago. AWAYE™ will be marketed by Tetra Natural Health.

July 2019 Public Offering

On July 12, 2019, the Company completed a short form prospectus offering of units of the Company, including the exercise in full of the agents' over-allotment option. A total of 26,833,332 units of the Company were sold at a price of \$0.30 per unit, for aggregate gross proceeds of approximately \$8,050,000. A complete and detailed description of this offering is contained in a material change report filed by the Company on SEDAR on July 18, 2019.

August 2019 Private Placement

On August 2, 2019, Tetra completed a non-brokered private placement offering of 870,000 units at a price of \$0.30 per unit for aggregate gross proceeds of \$261,000. A complete and detailed description of this offering is contained in a material change report filed by the Company on SEDAR on August 13, 2019.

February 2020 Public Offering

On February 13, 2020, the Company completed a short form prospectus offering of units of the Company. A total of 29,245,300 units of the Company were sold at a price of \$0.53 per unit, for aggregate gross proceeds of approximately \$15,500,300. A complete and detailed description of this offering is contained in a material change report filed by the Company on SEDAR on February 21, 2020. On March 2, 2020, Echelon Wealth Partners Inc., who acted as sole underwriter and sole book runner in connection with the offering, exercised its over-allotment option in full. On March 5, 2020, the Company completed the exercise of the over-allotment option and an additional 4,386,795 units were sold at a price of \$0.53 per unit on March 5, 2020, representing additional gross proceeds of approximately \$2,325,001.

Variance in Use of Proceeds

The following table provides a comparison of disclosure previously made by the Company regarding its intended use of proceeds described in the short form prospectus for the public offering completed on July 12, 2019 (the "**July 2019 Financing**") (other than working capital) against the Company's actual use of such proceeds up to January 31, 2020. All amounts listed below in general and administrative expenditures exclude non-cash expenses. The amounts presented in the table below are approximate.

PURPOSE	Maximum Amount	Actual Amount as of January 31, 2020
Drugs in Development		
2019 Phase 3 clinical trial, manufacturing and other expenses related to PPP011 ⁽¹⁾⁽²⁾	\$2,835,000	\$1,361,907
Regulatory costs for the EMA & PLENITUDE [®] trials for PPP001 (QIXLEEF [™])	-	\$370,300 ⁽³⁾
Development of Panag products in connection with the acquisition of Panag ⁽⁴⁾ <u>Including:</u> - Toxicology relating to PPP003; and - API manufacturing (HU 308) related to PPP003	\$420,000	\$477,522 ⁽⁵⁾
Two supplemental new drug submissions related to PPP002 ⁽⁶⁾⁽¹⁰⁾	\$200,000	-
Optimization of the manufacturing process related to PPP002 ⁽⁷⁾	See note 2 below	-
Retail Pharma (OTC)		
Launch 2 OTC beta-caryophyllene products ⁽⁸⁾⁽¹⁰⁾	\$400,000	-
Submit 3 Drug Identification Numbers (DIN)	\$15,000	\$15,000
Purchase additional inventory of hemp energy drinks ⁽⁹⁾⁽¹⁰⁾	\$245,000	-
General corporate purposes	\$895,000	\$895,000

Notes:

- (1) As at January 31, 2020, the Company had used \$1,361,907 out of the proceeds of the July 2019 Financing for the Phase 3 clinical trials, manufacturing and other expenses related to CAUMZ[™]. The Company recently determined to reserve \$1,000,000 as an allowance for bad debt in relation to accounts receivable which the Company has been unable to collect as of the date of this Prospectus. In addition, in the fourth quarter of 2019, the Company decided to reallocate \$380,000 from the proceeds allocated to CAUMZ[™] to the resumption of the clinical trials of QIXLEEF[™] (see Note 2 for additional information). Given the foregoing, the Company considers that, as of January 31, 2020, only \$93,093 remained allocated to CAUMZ[™].
- (2) On November 25, 2019, the Company received authorization from the FDA to resume QIXLEEF[™] clinical trials which had been halted in early 2019. The Company reallocated \$380,000 for the resumption of the clinical trials of QIXLEEF[™] from the proceeds allocated to CAUMZ[™]. See "Description of the Business –Recent Developments" for additional information.
- (3) As mentioned in Note 2 above, the Company reallocated a maximum of \$380,000 for the resumption of the clinical trials of QIXLEEF[™] from the proceeds allocated to CAUMZ[™]. Out of these amounts, the Company had used \$370,300 as at January 31, 2020.
- (4) The Company reallocated \$140,000 from the proceeds allocated to PPP003 to PPP005. The costs associated with PPP005 are study closing costs and safety data reporting costs to Health Canada that are required under Division 5 of the Food and Drug Act subsequent to Tetra terminating the PPP005 study due to certain mycotoxin impurities. The development of oral cannabinoids has been terminated by Tetra and the Company does not anticipate any further costs to be incurred on the PPP005 development program.
- (5) An additional amount of \$60,000 was reallocated to PPP003, bringing the maximum amount allocated to the development of Panag products to \$480,000. As at January 31, 2020, the Company had used \$477,522 on this program, and approximately \$2,478 remained allocated for PPP003.

- (6) During the quarter ended August 31, 2019, the Company determined to put on hold the development of PPP002 and the proceeds allocated to PPP002 were reallocated to the development of CAUMZ™. See Note 10 below for information regarding the reallocation of these funds.
- (7) In its short form prospectus dated July 8, 2019, the Company disclosed that if the maximum offering was raised, it would also proceed with the optimization of the manufacturing process related to PPP002. During the quarter ended August 31, 2019, the Company determined to put on hold the development of PPP002, including the optimization of the manufacturing process related to PPP002, and the proceeds allocated to PPP002 were reallocated to other initiatives of the Company. See Note 10 below for information regarding the reallocation of these funds.
- (8) The Company has determined to postpone the launch of OTC beta-caryophyllene products until a later date. See Note 13 below for information regarding the reallocation of these funds. See "*Description of the Business – OTC DIN Portfolio*" for additional information.
- (9) Following a strategic review by the board of directors of the Company (the "**Board**"), the Company incorporated 2714140 Ontario Inc. as a wholly-owned subsidiary for the purpose of divesting the Company's HED business, previously operated by Tetra Natural Health. The Company secured financing from AIP Asset Management Inc. in the amount of up to \$3,000,000 to support ongoing operations of the HED business. Therefore, none of the proceeds of the financing completed on July 12, 2019 were allocated to the HED business. See Note 10 below for information regarding the reallocation of these funds. See "*Description of the Business – Hemp Energy Drink*" for additional information.
- (10) As detailed in the notes above, the Company reallocated an aggregate amount of \$845,000 which was initially allocated to (i) PPP002, (ii) the launch of OTC beta-caryophyllene products and (iii) the purchase of additional inventory of the hemp energy drinks. The Company reallocated this \$845,000 as follows: (i) \$605,000 to its working capital requirements; (ii) \$150,000 for general corporate purposes; and (iii) \$90,000 for early stage research and development relating to a potential drug candidate for interstitial cystitis.

REGULATORY OVERVIEW

The Company is required to comply with the requirements of the various regulatory agencies (such as the Therapeutic Products Directorate ("**TPD**") of Health Canada) in jurisdictions where the Company intends to register its products as prescription drugs, as well as its non-prescription drug products. Any entity planning to commercialize pharmaceutical drugs is required to follow and adhere to key regulatory requirements and paths for prescription drugs, as well as non-prescription drugs. Clinical trials or clinical studies are performed to evaluate the safety and efficacy of new products (drug or medical devices) or for a new intended use of an already approved product. Health Canada and the FDA are involved in the regulation of the sale (distribution) and importation of unapproved drugs for use in human clinical trials.

Clinical trials fall under the responsibility of each jurisdiction's specific regulatory body:

- Health Canada:
 - Controlled substances, botanical and synthetic drugs: the Therapeutic Products Directorate;
 - Natural health products ("**NHP**"): Natural and Non-Prescription Health Products Directorate; and
 - Medical devices: Medical Device Bureau.
- FDA:
 - Controlled substances, botanical and synthetic drugs: the Center for Drug Evaluation and Research;
 - NHPs: in the United States, these products are regulated as foods and cannot make prevention or treatment health claims; and
 - Medical devices: Center for Devices and Radiological Health.

- European Medicines Agency ("**EMA**")¹:
 - Controlled substances, botanical and synthetic drugs;
 - NHPs; and
 - Medical devices.

In order to be able to initiate a clinical trial in humans, an investigational product must conform to the requirements defined by the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use.

The Company performs research to understand the dose response and frequency of administration as well as the pharmacodynamics response. This data, along with the safety data, is used to define the dose range that can be tested in humans.

The general phases of drug development are:

- Discovery and lead selection;
- Preclinical (nonclinical) pharmacology and toxicology;
- Phase 1: safety testing in healthy human volunteers;
- Phase 2: dose finding to define the potential efficacious dose and frequency of administration;
- Phase 3: trials performed to demonstrate the safety and efficacy of the product in the intended patient population and usually involve several hundred to several thousand participants. These trials are the key studies used to obtain marketing approval. In a life-threatening indication, regulators can accept a single Phase 3 trial under the condition that the Company performs a Phase 4 trial as a post-marketing requirement; and
- Phase 4: also known as post-marketing trials. Trials are performed either as a commitment for marketing approval, as part of the pharmacovigilance for a product, or as part of the marketing promotion for a new drug.

Each clinical trial phase can only be initiated after having received authorization from the applicable regulatory authority. This includes Phases 1, 2, 3 and Expanded Access. A Phase 4 trial only requires approval from the regulatory authority if the use of the drug is not part of the marketing approval intended use. Discovery and toxicology phases do not require approval by regulatory authorities.

During the drug development process, the Company prepares a study report. In Canada, once the last study required for the submission is released, the New Drug Submission ("**NDS**") application is completed and submitted to TPD. After submitting the NDS application, the file undergoes a screening process prior to being accepted for review. TPD has 45 calendar days from receipt to complete the screening review process. If granted a Priority Review or applications accepted for consideration under the Notice of Compliance/conditional policy, the screening period is reduced to 25 calendar days. Submission review will cease upon issuance of the Qualifying Notice. The target for the average time to reach first decision on a NDS application is 300 calendar days. The FDA has a similar review process for New Drug Applications ("**NDA**").

To commercialize a product under the NHP regulations, a corporation has to submit a Product License Application ("**PLA**"). Health Canada implemented a three Class review system to provide a faster path to the market for lower risk products. The PLA first undergoes a screening review process before being accepted for review. Class I and II

¹ The respective agency varies by country.

products will be rejected (Refusal Letter) if found to be deficient during this review. Class I products are formulations that are entirely based on a Health Canada monograph. Class II products include those that are based on traditional medicine or a combination of more than one compendial ingredient (ingredient that fulfills the definition of a Health Canada monograph or labelling standard). Health Canada review policy dictates a 10-business day and 30-calendar day review period for Class I and II products, respectively. In the case of a Class III, the PLA will be accepted into the assessment queue and reviewed for the safety and efficacy requirements if the application contains all of the required information. Once all requirements are met, a Product License will be issued within one hundred and eighty (180) calendar days from the end of the screening period.

The Cannabis Act passed into law on October 17, 2018. As a result, cannabis is no longer a controlled substance under the Controlled Drugs and Substances Act but is subject to the Cannabis Act and the Cannabis Regulations enacted under the Cannabis Act.

However, human and veterinary drugs containing cannabis (including phytocannabinoids) continue to be regulated as prescription drugs. Health Canada has amended both the human and veterinary prescription drug lists to include phytocannabinoids produced by, or found in, the cannabis plant and substances that are duplicates of such phytocannabinoids.²

Pre-clinical studies and clinical trial authorizations from Health Canada continue to be required for drugs containing cannabis and some cannabinoid molecules. In addition, a research license under the Cannabis Regulations enacted under the Cannabis Act is now required in place of an exemption pursuant to Section 56 to conduct research activities with Cannabis.

The production of drugs containing cannabis is subject to a valid cannabis drug license issued pursuant to the Cannabis Act.

RISK FACTORS

An investment in our securities is speculative and involves a high degree of risk. In addition to the other information included or incorporated by reference in this Prospectus or any applicable prospectus supplement, you should carefully consider the risks and uncertainties described below in the documents incorporated by reference in this Prospectus and any applicable prospectus supplement, together with all of the other information contained in this Prospectus, before purchasing our securities. The occurrence of any of such risks could have a material adverse effect on our business, financial condition, results of operations and future prospects. In these circumstances, the market price of our securities, including Common Shares, could decline, and you may lose all or part of your investment. The risks described herein are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition and results of operations. Investors should also refer to the other information set forth or incorporated by reference in this Prospectus or any applicable prospectus supplement, including our consolidated financial statements and related notes. This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described herein. See "Cautionary Note Regarding Forward-Looking Statements".

In particular, you should carefully consider the risks described under the heading "Risk Factors" in our Annual Information Form and in our Management Discussion and Analysis for the year ended November 30, 2018 and other publicly filed documents which are incorporated herein by reference including, without limitation, any annual information form, as well as the risk factors described under the heading "Risk Factors" in any applicable prospectus supplement. See "Documents Incorporated by Reference".

² Health Canada. Notice of Amendment: Prescription Drug List (PDL): Phytocannabinoids. Online at: <https://www.canada.ca/en/health-canada/services/drugs-health-products/drug-products/prescriptiondruglist/notice-prescription-drug-list-2018-10-17.html>

Risks Related to the Securities of the Company

Discretion over the use of the net proceeds

While detailed information regarding the use of proceeds from the sale of our securities will be described in the applicable prospectus supplement, the Company will have broad discretion over the use of the net proceeds from an offering by the Company of its securities. As a result, an investor will be relying on the judgment of management for the application of the proceeds from an offering. You may not agree with how the Company allocates or spends the proceeds from an offering of its securities. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Company's results of operations and financial condition may suffer.

Holders of Warrants have no rights as a shareholder

Until a holder of Warrants acquires Warrant Shares upon exercise of Warrants, such holder will have no rights with respect to the Warrant Shares underlying such Warrants. Upon exercise of such Warrants, such holder will be entitled to exercise the rights of a common shareholder only as to matters for which the record date occurs after the exercise date.

No assurance of active or liquid market

No assurance can be given that an active or liquid trading market for the Common Shares will be sustained. If an active or liquid market for the Common Shares fails to be sustained, the prices at which such shares trade may be adversely affected and holders of Common Shares may be unable to sell their investment on satisfactory terms. Whether or not the Common Shares will trade at lower prices depends on many factors, including the liquidity of the Common Shares, prevailing interest rates and the markets for similar securities, general economic conditions and the Company's financial condition, historic financial performance and prospects. Other factors unrelated to the Company's performance that may have an effect on the price and liquidity of the Company's securities include the extent of the analytical coverage, lessening in trading volume and general market interest in the Company's securities, the size of the Company's public float and any event resulting in a delisting of the Securities. Moreover, the issuance by the Company of Common Shares on the exercise of options under the Company's amended and restated stock option plan and upon the exercise of outstanding Warrants and the subsequent resale of such Common Shares in the public market could also adversely affect the prevailing market price.

There is no public market for the Warrants, Subscription Receipts, Units or Debt Securities and, unless otherwise specified in the applicable prospectus supplement, the Company does not intend to apply for listing of such securities on any securities exchange. If the Warrants, Subscription Receipts, Units or Debt Securities are traded after their initial issue, they may trade at a discount from their initial offering prices depending on prevailing interest rates (as applicable), the market for similar securities and other factors including general economic conditions and the Company's financial condition. There can be no assurance as to the liquidity of the trading market of the Warrants, Subscription Receipts, Units or Debt Securities or that a trading market for such security will develop.

Volatile market price of the Common Shares

The market price for securities of biopharmaceutical companies, including the Company's, have historically been volatile and subject to wide fluctuations in response to various factors, many of which are beyond the Company's control, which may affect the ability of the Company's shareholders to sell their securities at an advantageous price. The Company's failure to meet expectations, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions, industry related developments, results of product development or commercialization, changes in government regulations or other material public announcements by Tetra or its competitors, along with a variety of additional factors may affect market fluctuations. The market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. There can be no assurance that continuing fluctuations in price and volume will not occur.

Financial markets have at times historically experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

Dilution

The Company may issue additional securities in the future, including pursuant to acquisitions completed from time to time, which may dilute a shareholder's holdings in the Company. The Company's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of further issuances subject to applicable securities laws and stock exchange rules. Moreover, additional Common Shares will be issued by the Company on the exercise of options under the Company's amended and restated stock option plan and upon the exercise of outstanding Warrants.

Revenue generation and liquidity

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities and the continued development of the Company will require additional financing. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

The ability to generate sufficient revenue to sustain the operations of the Company depends upon the ability to successfully commercialize its intellectual property or other product candidates that the Company develops or acquires in the future. The Company has incurred operating losses and negative cash flows from operations since inception. To the extent the Company has negative cash flows in future periods, the Company may use a portion of its general working capital to fund such negative cash flow. As of the date of this Prospectus, there is no expectation to generate substantial revenue from the Company's intellectual property in the foreseeable future.

There is no assurance that if regulatory approval is achieved for the product candidates, revenues will be generated. The ability to generate revenue further depends on additional factors, including:

- successful completion of development activities, including the additional pre-clinical studies and planned clinical trials for the product candidates;
- completion and submission of new drug applications to the FDA;
- obtaining regulatory approval from the FDA for indications for which there is a commercial market;
- obtaining regulatory approval from Health Canada;
- completion and submission of applications to, and obtaining regulatory approval from, other foreign regulatory authorities;
- raising substantial additional capital to fund operations;
- securing and maintaining strategic collaborations with partners to test, commercialize and manufacture product candidates;
- manufacturing approved products in commercial quantities and on commercially reasonable terms;
- developing a commercial organization, or finding suitable partners, to market, sell and distribute approved products;
- achieving acceptance among patients, clinicians and advocacy groups for any developed products;

- the successful grant of patents for drugs under development;
- obtaining coverage and adequate reimbursement from third parties, including government payors; and
- setting a commercially viable price for any approved products.

Any doubt about the Company's ability to continue as a going concern may materially and adversely affect the price of the Common Shares, thereby making it more difficult for the Company to obtain financing. Any doubt about the Company's ability to continue as a going concern may also adversely affect the Company's relationships with current and future collaborators, contract manufacturers and investors, who may become concerned about its ability to meet its ongoing financial obligations. If potential collaborators decline to do business with the Company or potential investors decline to participate in any future financings due to such concerns, the Company's ability to increase its financial resources may be limited. Further, the failure to raise such capital could result in the delay or indefinite postponement of current business objectives or in the inability of the Company to discharge its liabilities in the normal course of business. The Company has prepared its financial statements on a going concern basis, which assumes that the Company will be able to meet its commitments, realize its assets and discharge its liabilities in the normal course of business. The Company's consolidated financial statements do not include any adjustment to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

No paid dividends

Other than the North Bud Dividend (as defined below), the Company has not paid dividends on its Common Shares to date and we currently intend to retain our future earnings, if any, to fund the development and growth of our business. As a result, capital appreciation, if any, of the Common Shares will be your sole source of gain for the foreseeable future. Consequently, in the foreseeable future, you will likely only experience a gain from your investment in the Common Shares if the price of the Common Shares increases.

Unsecured Debt Securities

Unless otherwise indicated in the applicable prospectus supplement, the Debt Securities will be unsecured and will rank equally in right of payment with all of our other existing and future unsecured debt. The Debt Securities will be effectively subordinated to all of our existing and future secured debt to the extent of the assets securing such debt. If we are involved in any bankruptcy, dissolution, liquidation or reorganization, the secured debt holders would, to the extent of the value of the assets securing the secured debt, be paid before the holders of unsecured Debt Securities, including the Debt Securities. In that event, a holder of Debt Securities may not be able to recover any principal or interest due to such holder under the Debt Securities. Unless the obligations of the Company under the Debt Securities are secured by the Company's subsidiaries, the Debt Securities will be structurally subordinated to all of the Company's subsidiaries' existing and future debt. See "*Debt Securities*".

Risks Relating to Tetra and its Business

Limited operating history and no assurance of profitability

The Company is subject to all of the business risks and uncertainties associated with any early-stage enterprise, including under-capitalization, cash shortages, limitation with respect to personnel, financial and other resources, and lack of revenues.

The Company has incurred significant operating losses since inception and substantially all losses have resulted from expenses incurred in connection with research and development and general and administrative costs associated with operations. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company cannot produce revenue to offset these expected increases in costs and operating expenses, the Company will not be profitable. There is no assurance that the Company will generate revenue and be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of the early stage of operations.

Cannabis Act

Our product candidates contain substances related to the cannabis plant including cannabinoids naturally occurring in cannabis which are regulated under the Cannabis Act. Since our product candidates contain substances related to the cannabis plant regulated under the Cannabis Act, their regulatory approval may generate public controversy. Political and social pressures and adverse publicity could lead to delays in approval of, and increased expenses for our product candidates. These pressures could also limit or restrict the introduction and marketing of our product candidates. Adverse publicity from cannabis misuse or adverse side effects from cannabis or other cannabinoid products may adversely affect the commercial success or market penetration achievable for our product candidates. The nature of our business attracts a high level of public and media interest, and in the event of any resultant adverse publicity, our reputation may be harmed. Furthermore, our product candidates may be subject to import/export and research restrictions that could delay or prevent the development of Tetra's products in various geographical jurisdictions. Synthetic derivatives such as Panag's HU-308 (PPP003) are neither regulated under the Controlled Drugs and Substances Act nor under the Cannabis Act.

Changes in laws, regulations and guidelines

Tetra's operations are subject to a variety of laws, regulations and guidelines relating to pharmacology, cannabinoids, and drug delivery, as well as laws and regulations relating to health and safety, the conduct of operations, and the protection of the environment. While, to the knowledge of the Company's management, Tetra is currently in material compliance with all such laws, changes to such laws, regulations and guidelines due to matters beyond the control of the Company may cause adverse effects to our operations and financial condition. These changes may require the Company to incur substantial costs associated with legal and compliance fees and ultimately require the Company to alter its business plan. In addition, if the governments of Canada or the United States were to enact or amend laws relating to our industry, it may decrease the size of, or eliminate entirely, the market for the Company's products, may introduce significant new competition into the market and may otherwise potentially materially and adversely affect the Company's business, results of operations, and financial condition.

Regulatory risks

The Company will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or restrictions on the Company's operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

Financial risks

The Company is in the research and development stage and has operated and will operate at a loss until one of its lines of business becomes established and therefore will require additional financing in order to complete its research and development and to fund its ongoing and future operations. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the going out of business. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to the Company's management. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. In addition, from time to time, the Company may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards.

Monetization of the hemp energy drink business

The Company may not be successful in monetizing its HED business through a Liquidity Event, which, together with capital expenditures made in the course of such event, may have an adverse effect on the Company's business, financial condition and results of operations. In addition, the Company's subsidiary, 2714140 Ontario Inc., may not be able to render the HED business profitable, resulting in 2714140 Ontario Inc. being unable to meet the financial obligations it has assumed in its attempt to restructure and support the ongoing operations of the HED business. Failure to monetize the HED business may result in 2714140 Ontario Inc. becoming insolvent and consequently, this could have a material impact on the Company by requiring the Company to make a cash payment and/or to issue Common Shares to AIP Asset Management Inc. to satisfy 2714140 Ontario Inc.'s financial obligations and to discharge the Company's guarantee of same under the Convertible Notes issued pursuant to the November 18, 2019 convertible note financing. See "*The Company – Intercorporate Relationships – Hemp Energy Drink*" for more information related to the convertible note financing.

TSXV reviews for companies with United States assets

The Canadian Securities Administrators, the Toronto Stock Exchange, the TSXV and the CSE each released written statements outlining their interpretations and ongoing treatment of public companies engaged in cross-border cannabis-related activities. These guidelines establish a disclosure-based approach that sets out robust standards for public companies that currently conduct or are contemplating cannabis-related activities in the United States. The Company believes the Canadian Securities Administrators' Staff Notice 51-352 (Revised) Issuers with Marijuana-Related Activities and the TSXV's Bulletin Business Activities Related to Marijuana in the United States do not apply to the Company. Regardless, other companies (private and/or public) with which the Company has entered into agreements might at some point in time, without the Company's knowledge, initiate cross-border cannabis-related activities. The Company has a responsibility to disclose that it has not entered into agreement(s) with companies having such cross-border cannabis-related activities, meaning that having an agreement with such companies might place the Company at risk of being delisted. However, at the moment, the Company does not hold any direct or indirect equity interest nor have commercial interests or commercial agreements with any entity directly involved in the United States cannabis industry.

Success of its product candidates

The Company can make no assurance that its research and development programs will result in regulatory approval or commercially viable products. To achieve profitable operations, we, alone or with others, must successfully develop, gain regulatory approval, and market our future products. Other than the OTC DIN products marketed under the TERPACAN™ banner, we currently have no prescription drugs that have been approved by the FDA, Health Canada, or any similar regulatory authority. Additionally, we currently have no products for commercial sale or licensed for commercial sale. As a result, we are not currently generating revenue from our products and may never generate revenue from the sale or licensing of our products, or otherwise.

Many product candidates never reach the stage of clinical testing and even those that do have only a small chance of successfully completing clinical development and gaining regulatory approval. Product candidates may fail for a number of reasons, including, but not limited to, being unsafe for human use or due to the failure to provide therapeutic benefits equal to or better than the standard of treatment at the time of testing. Positive results of early preclinical research may not be indicative of the results that will be obtained in later stages of preclinical or clinical research. Similarly, positive results from early stage clinical trials may not be indicative of favorable outcomes in later-stage clinical trials. We can make no assurance that any future studies, if undertaken, will yield favorable results. The early stage of our product development makes it particularly uncertain whether any of our product development efforts will prove to be successful and meet applicable regulatory requirements, and whether any of our product candidates will receive the requisite regulatory approvals, be capable of being manufactured at a reasonable cost or be successfully marketed. If we are successful in developing our current and future product candidates into approved products, we will still experience many potential obstacles such as the need to develop or obtain manufacturing, marketing and distribution capabilities. If we are unable to successfully commercialize any of our products, our financial condition and results of operations may be materially and adversely affected.

Patient enrollment in clinical trials

As our product candidates advance from preclinical testing to clinical testing, and then through progressively larger and more complex clinical trials, we will need to enroll an increasing number of patients that meet our eligibility criteria. The factors that affect our ability to enroll patients are largely uncontrollable and include, but are not limited to, the following:

- size and nature of the patient population;
- eligibility and exclusion criteria for the trial;
- design of the study protocol;
- competition with other companies for clinical sites or patients;
- the perceived risks and benefits of the product candidate under study;
- the patient referral practices of physicians; and
- the number, availability, location and accessibility of clinical trial sites.

As a result of the foregoing factors, we may have difficulty enrolling or maintaining the enrollment of patients in any clinical trials conducted for our products, which may result in the delay or cancellation of such trials. The delay or cancellation of any clinical trials could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before us, which would impair our ability to successfully commercialize our product candidates and may harm our financial condition, results of operations and prospects.

Reliance on pre-clinical testing and clinical trials

Prior to obtaining regulatory approval for the sale of the product candidates, the Company must conduct pre-clinical testing and clinical trials. The results of the pre-clinical testing and clinical trials are uncertain and a product candidate may fail at any stage of clinical development. The historic failure rate for product candidates is high due to scientific feasibility, safety, efficacy, changing standards of medical care and other variables.

If the Company does not successfully complete pre-clinical and clinical development, it will be unable to market and sell products derived from its product candidates and generate revenues. Even if clinical trials are successfully completed, those results are not necessarily predictive of results of additional trials that may be needed before a new drug application may be submitted to the FDA.

The testing process may take several years and may include post-marketing studies and surveillance, which would require the expenditure of substantial resources. The Company cannot assure that pre-clinical or clinical trials will begin or be completed on schedule, as the commencement and completion of clinical trials can be delayed for various reasons. A clinical trial may be suspended or terminated by the Company, the FDA, the Institutional Review Board, ethics committees, data safety monitoring boards or other foreign or United States regulatory authorities overseeing the clinical trial at issue due to a number of factors, including, among others: failure to conduct the clinical trial in accordance with regulatory requirements; inspection of clinical trial sites by regulatory authorities which requires corrective action by the Company, including the imposition of a clinical hold; unforeseen safety issues; adverse side effects or lack of effectiveness of the product candidates; or changes in government regulations or administrative actions.

Pre-clinical or clinical trials may also be delayed, suspended or terminated due to a lack of effectiveness of product candidates during clinical studies; adverse events, safety issues or side effects relating to the product candidates or their formulation; inability to raise additional capital in sufficient amounts to continue clinical trials or development programs; the need to sequence clinical studies as opposed to conducting them concomitantly in order to conserve resources; the Company's inability to enter into collaborations relating to the development and commercialization of product candidates; failure by the Company or its collaborators to conduct clinical trials in accordance with regulatory requirements; the Company's inability, or the inability of its collaborators, to manufacture

or obtain from third parties materials sufficient for use in pre-clinical and clinical studies; governmental or regulatory delays and changes in regulatory requirements, policy and guidelines, including mandated changes in the scope or design of clinical trials or requests for supplemental information with respect to clinical trial results; failure of the Company's collaborators to advance its product candidates through clinical development; delays in patient enrolment, variability in the number and types of patients available for clinical studies, and lower-than anticipated retention rates for patients in clinical trials; difficulty in patient monitoring and data collection due to failure of patients to maintain contact after treatment; a regional disturbance where the Company or its collaborative partners are enrolling patients in the Company's clinical trials, such as a pandemic, terrorist activities or war, or a natural disaster; or varying interpretations of data by the FDA and similar foreign regulatory agencies. For example, in December 2019, a novel strain of coronavirus, also known as COVID-19, emerged in Wuhan, China and has evolved into a global pandemic since then. Our business could be adversely impacted by the effects of COVID-19 or other epidemics. Some of our contract manufacturers of clinical trial materials are located outside Canada, and should they experience disruptions, such as temporary closures or suspension of services, our clinical trials could be delayed. It is likely that a health facility or physician would not prioritize a clinical trial over an emergency care, and some health facilities where the Company conducts clinical trials may direct all medical specialists to first line care in the event of an epidemic or pandemic such as COVID-19, which could delay such clinicals trials or result in their suspension or termination. In addition, health facilities affected by COVID-19 may decline to accept on their premises patients suffering from an impaired immune system, such as cancer patients, thereby delaying clinical trials relating to such patients, or resulting in the suspension or termination of such clinical trials.

There is also the risk of a delay in the project due to the unavailability of the pharmaceutical components of the drug regimen or the willingness or availability of test subjects. The components of the drug regimen are experimental drugs which have limited manufacturers. These drug components may be or become unavailable. The drugs are also derivatives of cannabis and are subject to strict regulatory controls which could also impact or interfere with the Company's ability to obtain a supply of the drugs for its testing program.

COVID-19 Pandemic

The spread of COVID-19 has affected segments of the global economy and may affect our operations, including the potential interruption of our clinical trial activities and our supply chain. The recent outbreak of COVID-19 originated in Wuhan, China, in December 2019 and has since spread to multiple countries. The continued spread of COVID-19 may result in a period of business disruption, including significant delays in our clinical trials or delays or disruptions in our supply chain. In addition, there could be a potential effect of COVID-19 to the business at FDA, Health Canada, EMA or other health authorities, which could result in delays of reviews and approvals, including with respect to our product candidates. The continued spread of COVID-19 globally could adversely affect our clinical trial operations in Canada and elsewhere, including our ability to recruit and retain patients and principal investigators and site staff who, as healthcare providers, may have heightened exposure to COVID-19 if an outbreak occurs in their geography. Further, some patients may be unable to comply with clinical trial protocols if quarantines or travel restrictions impede patient movement or interrupt healthcare services, or if the patients become infected with COVID-19 themselves, which would delay our ability to conduct clinical trials or release clinical trial results. COVID-19 may also affect employees of third-party contract research organizations located in affected geographies that we rely upon to carry out our clinical trials, which could result in inefficiencies due to reductions in staff and disruptions to work environments. The spread of COVID-19, or another infectious disease, could also negatively affect the operations at our third-party manufacturers or suppliers, which could result in delays or disruptions in the supply of our product candidates. In addition, we may take temporary precautionary measures intended to help minimize the risk of the virus to our employees, including temporarily requiring all employees to work remotely, suspending all non-essential travel worldwide for our employees, and discouraging employee attendance at industry events and in-person work-related meetings, which could negatively affect our business. We cannot presently predict the scope and severity of any potential business shutdowns or disruptions. If we or any of the third parties with whom we engage, however, were to experience shutdowns or other business disruptions, our ability to conduct our business in the manner and on the timelines presently planned could be materially and negatively affected, which could have a material adverse impact on our business and our results of operation and financial condition.

Vulnerability of results of planned clinical trials

The results of the Company's pre-clinical testing may not necessarily be predictive of the results from the planned additional clinical trials in humans. The Company may encounter significant setbacks in clinical trials after achieving positive results in pre-clinical and early clinical development. Significant setbacks can be caused by, among other things, pre-clinical findings made while clinical trials are underway or safety, or efficacy observations made during clinical trials, including adverse events. Pre-clinical and clinical data is susceptible to varying interpretations and analyses. There is the potential that product candidates that performed satisfactorily in pre-clinical studies and clinical trials fail to obtain FDA, Health Canada and European Medicines Agency approval. Failure to produce positive results in clinical trials of the product candidates could result in a material adverse effect to the development timeline, regulatory approval, commercialization prospects and business and financial prospects of the Company.

Reliance on regulatory approval

The Company's ability to successfully produce the product candidates is dependent on extensive ongoing regulatory compliance and reporting requirements by the United States Drug Enforcement Agency, FDA, Health Canada and other foreign regulatory authorities ("**Reporting Requirements**"). Failure to comply with the requirements and terms of the Reporting Requirements could have a material adverse impact on the business, financial condition and operating results of the Company. There is no assurance that continuous regulatory approval will be given for the product candidates. Should regulatory approval not be continued, the business, financial condition and operating results of the Company would be materially adversely affected.

Even if the Company receives regulatory approval for its product candidates, this approval may carry conditions that limit the market for the products or put the products at a competitive disadvantage relative to alternative therapies. For instance, regulatory approval may limit the indicated uses for which the Company can market a product or the patient population that may utilize the product, or may be required to carry a warning on its packaging. Once a product candidate is approved, the Company remains subject to continuing regulatory obligations, such as safety reporting requirements and additional post-marketing obligations, including regulatory oversight of promotion and marketing.

Quality of contract manufacturers

We currently have no manufacturing experience and rely on contract manufacturing organizations ("**CMOs**"), to manufacture the active pharmaceutical ingredients (i.e., HU308, tetrahydrocannabinol, cannabidiol) used in the research product candidates for preclinical studies and clinical trials. We manufacture under cGMP regulations all finished drug products that are used in preclinical studies and clinical trials through our partnership with Quantum Pharma Inc. (the former GMP manufacturing division of Ford's Family Pharmacy and Wellness Centre). This latter facility also performs the packaging, storing and shipping of research products to the laboratories and clinical sites. For Tetra Natural Health, we rely on CMOs for manufacturing, filling, packaging, storing and shipping of drug products, and natural health products, in compliance with current cGMP, regulations applicable to our products. The FDA and Health Canada ensures the quality of drug products by carefully monitoring drug manufacturers' compliance with cGMP regulations. The cGMP regulations for drugs contain minimum requirements for the methods, facilities and controls used in manufacturing, processing and packing of a drug product. If our CMOs, or partners, increase their prices or fail to meet our quality standards, or those of regulatory agencies such as the FDA and Health Canada, and cannot be replaced by other acceptable CMOs, our ability to obtain regulatory approval for and commercialize our product candidates may be materially adversely affected.

Arrangements for the supply of raw materials or the manufacture of our products for preclinical or clinical trials

We do not produce medical cannabis or synthetic cannabinoids, and therefore our ability to research, develop and commercialize our cannabinoid-based products is dependent upon a sufficient supply of quality medical cannabis strains and synthetic cannabinoid. Any significant interruption or negative change in the availability, quality, import-export permits from regulators, or economics of the supply chain for medical cannabis or synthesis of cannabinoids could materially impact our business, financial condition and operating results. Some strains of medical cannabis or synthetic precursors may only be available from a single supplier or a limited group of suppliers. If a sole source supplier were to go out of business or were to lose its license, or if such supplier's strains, or a key reagent required

for the synthesis, were to fail to meet quality requirements, we might be unable to find a replacement source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor might elect not to supply us or to lower the quality of the strains or cannabinoids supplied to us. Any inability to secure required supplies of quality medical cannabis and synthetic cannabinoids or to do so on appropriate terms could have a materially adverse impact on our business, financial condition and operating results. See "*COVID-19 Pandemic*" for additional information regarding the potential impact of the current COVID-19 pandemic on the Company's supply chain.

Safety and efficacy of product candidates

Before obtaining marketing approval from regulatory authorities for the sale of our product candidates, we must conduct preclinical studies in animals and extensive clinical trials in humans to demonstrate the safety and efficacy of the product candidates. Clinical testing is expensive and difficult to design and implement, can take many years to complete and has uncertain outcomes. The outcome of preclinical studies and early clinical trials may not predict the success of later clinical trials and interim results of a clinical trial do not necessarily predict final results. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in advanced clinical trials due to lack of efficacy or unacceptable safety profiles, notwithstanding promising results in earlier trials. We do not know whether the clinical trials we may conduct will demonstrate adequate efficacy and safety to result in regulatory approval to market any of our product candidates in any jurisdiction. A product candidate may fail for safety or efficacy reasons at any stage of the testing process. A major risk we face is the possibility that none of our product candidates under development will successfully gain market approval from the FDA, Health Canada or other regulatory authorities, resulting in us being unable to derive any commercial revenue from them after investing significant amounts of capital in multiple stages of preclinical and clinical testing.

Delays in clinical testing

We cannot predict whether any clinical trials will begin as planned, will need to be restructured, or will be completed on schedule, or at all. Our product development costs will increase if we experience delays in clinical testing. Significant clinical trial delays could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before us, which would impair our ability to successfully commercialize our product candidates and may harm our financial condition, results of operations and prospects. The commencement and completion of clinical trials for our products may be delayed for a number of reasons, including delays related, but not limited, to:

- failure by regulatory authorities to grant permission to proceed or placing the clinical trial on hold;
- import/export and research restrictions for cannabinoid-based pharmaceuticals delaying or preventing clinical trials in various geographical jurisdictions;
- patients failing to enroll or remain in our trials at the rate we expect;
- suspension or termination of clinical trials by regulators for many reasons, including concerns about patient safety or failure of our contract manufacturers to comply with cGMP requirements;
- any changes to our manufacturing process that may be necessary or desired;
- delays or failure to obtain clinical supply from contract manufacturers of our products necessary to conduct clinical trials;
- product candidates demonstrating a lack of safety or efficacy during clinical trials;
- patients choosing an alternative treatment for the indications for which we are developing any of our product candidates or participating in competing clinical trials and/or scheduling conflicts with participating;
- clinicians;
- patients failing to complete clinical trials due to dissatisfaction with the treatment, side effects or other reasons;
- reports of clinical testing on similar technologies and products raising safety and/or efficacy concerns;

- clinical investigators not performing our clinical trials on their anticipated schedule, dropping out of a trial, or employing methods not consistent with the clinical trial protocol, regulatory requirements or other third parties not performing data collection and analysis in a timely or accurate manner;
- failure of our contract research organizations, to satisfy their contractual duties or meet expected deadlines;
- inspections of clinical trial sites by regulatory authorities or Institutional Review Boards, or ethics committees finding regulatory violations that require us to undertake corrective action, resulting in suspension or termination of one or more sites or the imposition of a clinical hold on the entire study;
- one or more Institutional Review Boards or ethics committees rejecting, suspending or terminating the study at an investigational site, precluding enrollment of additional subjects, or withdrawing its approval of the trial; or
- failure to reach agreement on acceptable terms with prospective clinical trial sites.

Our product development costs will increase if we experience delays in testing or approval or if we need to perform more or larger clinical trials than planned. Additionally, changes in regulatory requirements and policies may occur, and we may need to amend study protocols to reflect these changes. Amendments may require us to resubmit our study protocols to regulatory authorities or IRBs or ethics committees for re-examination, which may impact the cost, timing or successful completion of that trial. Delays or increased product development costs may have a material adverse effect on our business, financial condition and prospects.

Negative results from clinical trials or studies of others and adverse safety events

From time to time, studies or clinical trials on various aspects of biopharmaceutical products are conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the market for the biopharmaceutical product that is the subject of the study. The publication of negative results of studies or clinical trials or adverse safety events related to our product candidates, or the therapeutic areas in which our product candidates compete, could adversely affect the price of the Common Shares and our ability to finance future development of our product candidates, and our business and financial results could be materially and adversely affected.

Competition from companies with greater resources and experience

The pharmaceutical industry is highly competitive and subject to rapid change. The industry continues to expand and evolve as an increasing number of competitors and potential competitors enter the market. Many of these competitors and potential competitors have substantially greater financial, technological, managerial and research and development resources and experience than the Company. Some of these competitors and potential competitors have more experience than the Company in the development of pharmaceutical products, including validation procedures and regulatory matters. Other companies researching in the same disease areas may develop products that are competitive or superior to Tetra's product candidates. Other companies working in cannabinoid research may develop products targeting the same diseases that the Company is focused on that are competitive or superior to Tetra's product candidates. In addition, there are non-FDA approved cannabis/cannabinoid preparations being made available from companies in the medical cannabis industry, which may be competitive to Tetra's products. If Tetra is unable to compete successfully, its commercial opportunities will be reduced and Tetra's business, results of operations and financial conditions may be materially harmed.

Key personnel of the Company

Tetra depends on key personnel, the loss of any of which could harm its business. Tetra's future performance and development will depend to a significant extent on the efforts and abilities of its executive officers and key employees, particularly its Chief Executive Officer and Chief Scientific Officer, Dr. Guy Chamberland. The loss of the services of one or more of these individuals could harm Tetra's business. Tetra's success will depend largely on its continuing ability to attract, develop and retain skilled employees and consultants in our business. Because of the specialized scientific and managerial nature of Tetra's business, it relies heavily on its ability to attract and retain qualified scientific, technical and managerial personnel. The competition for qualified personnel in Tetra's field is

intense. Due to this intense competition, Tetra may be unable to continue to attract and retain qualified personnel necessary for the development of its business or to recruit suitable replacement personnel.

Employee misconduct or other improper activities

Tetra is exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with regulations of domestic or foreign regulatory authorities. In addition, misconduct by employees could include intentional failures to comply with certain development standards, to report financial information or data accurately, or to disclose unauthorized activities to the Company. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to Tetra's reputation. While prohibited, it is not always possible to identify and deter employee misconduct, and the precautions the Company takes to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Tetra, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on Tetra's business and results of operations, including the imposition of significant fines or other sanctions.

Success of collaboration agreements

The Company has relationships with scientific collaborators at academic and other institutions, some of whom conduct research at the Company's request or assist the Company in formulating its research and development strategies. These scientific collaborators are not the Company's employees and such collaborators may have commitments to, or consulting or advisory contracts with, companies that conflict in interests with and pose a competitive threat to Tetra. Moreover, to the extent that Tetra decides to enter into collaboration agreements, it will face significant competition in seeking appropriate collaborators. Collaboration arrangements are complex, and time consuming to negotiate, document and implement. Tetra may not be successful in its efforts to establish, implement and maintain collaborations or other alternative arrangements if it chooses to enter into such arrangements and its selected partners may be given, and may exercise, a right to terminate their agreement with Tetra without cause. The terms of any collaboration or other arrangements that Tetra may establish may not be favorable to the Company.

Patents, proprietary technology, and other intellectual property of the Company

Tetra's success will depend, in part, on its ability to obtain patents, licence rights to patents, protect its trade secrets and operate without infringing on the proprietary rights of others. Patents and other proprietary rights are essential to the Company's business. Tetra relies on trade secret, patent, copyright and trademark laws, and confidentiality and other agreements with employees and third parties, all of which offer only limited protection. The Company's general policy has been to file patent applications to protect its inventions and improvements to its inventions that are considered important to the development of its business. In certain cases, Tetra has chosen to protect its intellectual property by treating it as confidential internal know-how. The Company's success will depend in part on its ability to obtain patents, defend patents, maintain internal know-how/trade secret protection and operate without infringing on the proprietary rights of others. Interpretation and evaluation of pharmaceutical patent claims present complex legal and factual questions. Further, patent protection may not be available for some of the products or technology Tetra is developing. If Tetra is placed in a position where it must spend significant time and money defending or enforcing our patents, designing around patents held by others or licensing patents or other proprietary rights held by others, Tetra's business, results of operations and financial condition may be harmed. In seeking to protect the Company's inventions using patents it is important to note that there can be no assurance that:

- patent applications will result in the issuance of patents;
- additional proprietary products developed will be patentable;
- patents issued will provide adequate protection or any competitive advantages;
- patents issued will not be successfully challenged by third parties;

- commercial exploitation of the Company's inventions does not infringe the patents or intellectual property of others; or
- the Company will be able to obtain any extensions of the patent term.

A number of pharmaceutical, biotechnology and medical device companies and research and academic institutions have developed technologies, filed patent applications or received patents on various technologies that may be related to the business of the Company. Some of these technologies, applications or patents could limit the scope of the patents, if any, that the Company may be able to obtain. It is also possible that these technologies, applications or patents may preclude the Company from obtaining patent protection for its inventions. Further, there may be uncertainty as to whether the Company may be able to successfully defend any challenge to its patent portfolio.

Insurance coverage

Tetra currently maintains directors and officers liability insurance and property and general liability insurance. This insurance may not remain available to the Company or be obtainable at commercially reasonable rates, and the amount of the Company's coverage may not be adequate to cover any liability it incurs. Future increases in insurance costs, coupled with the increase in deductibles, will result in higher operating costs and increased risk. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Deficiencies in disclosure controls and procedures and internal controls over financial reporting

Tetra could be adversely affected if there are deficiencies in its disclosure controls and procedures or in its internal controls over financial reporting. The design and effectiveness of Tetra's disclosure controls and procedures and its internal controls over financial reporting may not prevent all errors, misstatements or misrepresentations. Deficiencies, including material weaknesses, in internal controls over financial reporting which may occur could result in misstatements of Tetra's results of operations, restatements of financial statements, a decline in the price of the Common Shares, or otherwise materially adversely affect Tetra's business, reputation, results of operations, financial condition or liquidity.

Security breaches of the Company's proprietary information

In the ordinary course of business, the Company may collect and store sensitive data, including intellectual property, data from preclinical studies, clinical trial data, the Company's proprietary business information and that of its customers, suppliers and business partners, and personally identifiable information of the Company's customers, clinical trial subjects and employees, in its data centers and on its networks. The secure processing, maintenance and transmission of this information is critical to the Company's operations. Despite security measures, the Company's information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Although to the Company's knowledge it has not experienced any such material security breach to date, any such breach could compromise its networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, disrupt the Company's operations, damage its ability to obtain patent protection for its product candidates, damage its reputation, and cause a loss of confidence in its products and its ability to conduct clinical trials, which could adversely affect the Company's business and reputation and lead to delays in gaining regulatory approvals.

Failure of our information technology systems

Tetra's business increasingly depends on the use of information technologies, which means that certain key areas such as research and development, production and sales are to a large extent dependent on its information systems or those of third-party providers. Tetra's ability to execute its business plan and to comply with regulators requirements with respect to data control and data integrity, depends, in part, on the continued and uninterrupted performance of its information technology systems, or IT systems and the IT systems supplied by third-party service providers. These IT systems are vulnerable to damage from a variety of sources, including telecommunications or

network failures, malicious human acts and natural disasters. Moreover, despite network security and backup measures, some of the Company's servers are potentially vulnerable to physical or electronic break-ins, computer viruses and similar disruptive problems. Despite the precautionary measures the Company and its third-party service providers have taken to prevent unanticipated problems that could affect its IT systems, sustained or repeated system failures or problems arising during the upgrade of any of its IT systems that interrupt the Company's ability to generate and maintain data, and in particular to operate Tetra's technology platform, could adversely affect its ability to operate its business.

Product Liability

As a licensed manufacturer and distributor of products designed to be ingested by humans, Tetra faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of Tetra's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of its products alone or in combination with other medications or substances could occur. The Company may be subject to various product liability claims, including, among others, that its products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against Tetra could result in increased costs, could adversely affect Tetra's reputation with its clients and consumers generally, and could have a material adverse effect on our results of operations and financial condition of Tetra. There can be no assurances that Tetra will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of Tetra's potential products.

Clinical Trial Liability

The Company has obtained clinical trial liability insurance coverage in the aggregate amount of \$5,000,000 for the Phase 3 clinical trial of QIXLEEF™ and has a 1-year run-off policy covering the Phase 2 clinical trial of QIXLEEF™ in the aggregate amount of \$10,000,000. The Company also has obtained a clinical trial liability insurance coverage in the aggregate amount of \$10,000,000 for, inter alia, the Phase 2 clinical trial of PPP005.

This coverage is limited and a clinical trial liability claim could potentially be greater than the aggregate coverage limit per insurance policy obtained by the Company. The Company's profitability would be adversely affected by any successful product liability claim in excess of its insurance coverage.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of Tetra's products are recalled due to an alleged product defect or for any other reason, Tetra could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although Tetra intends to implement detailed procedures for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of Tetra's significant brands were subject to recall, the image of that brand and Tetra could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for Tetra's products and could have a material adverse effect on the results of operations and financial condition of Tetra. Additionally, product recalls may lead to increased scrutiny of Tetra's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

International Expansion

The Company may in the future expand its operations and business into jurisdictions outside of Canada. There can be no assurance that any market for the Company's products will develop in any such foreign jurisdiction. The Company may face new or unexpected risks or significantly increase its exposure to one or more existing risk factors, including economic instability, changes in laws and regulations and the effects of competition. These factors may limit the Company's capability to successfully expand its operations and may have a material adverse effect on the Company's business, financial condition and results of operations.

Approval of Health Professionals

The Company's expectations for the commercialization of products are based on the full support of various healthcare professionals, including doctors, practicing nurses, and pharmacists prescribing and stocking cannabis-based medications. Cannabis-based medications are not currently recommended or prescribed under the college of doctors and surgeons or registered nurses prescribed practice directions. Failure to receive full support of these professionals could result in the marketing of the Company's products being materially more difficult.

USE OF PROCEEDS

The use of proceeds from the sale of securities will be described in the applicable prospectus supplement relating to a specific offering and sale of securities. Among other potential uses, the Company may use the net proceeds from the sale of securities (i) for general corporate purposes, including funding research and development, intellectual property development and preclinical and clinical expenses, funding ongoing operations and/or working capital requirements, (ii) to repay indebtedness outstanding from time to time, (iii) for capital projects, potential future acquisitions, joint venture or licensing arrangements, and (iv) the advancement of our business objectives.

The above-noted allocation represents the Company's intention with respect to its use of proceeds based on current knowledge and planning by management of the Company. (excluding potential contingencies and any deficiencies). There may be circumstances where for other sound business reasons, a re-allocation of funds may be necessary or prudent. Accordingly, management of the Company will retain broad discretion in allocating the net proceeds of any offering of securities under this Prospectus and the Company's actual use of the net proceeds will vary depending on the availability and suitability of investment and development opportunities and its operating and capital needs from time to time. Our ultimate use might vary substantially from what is stated in this Prospectus or a prospectus supplement and the actual amount that we spend in connection with each intended use of proceeds may vary significantly from the amounts specified in the applicable prospectus supplement and will depend on a number of factors, including those referred to under "*Risk Factors*" and any other factors set forth in the applicable prospectus supplement. All expenses relating to an offering of securities and any compensation paid to underwriting dealers or agents as the case may be, will be paid out of the proceeds from the sale of securities, unless otherwise stated in the applicable prospectus supplement. The Company will not receive any proceeds from the sale of securities by a selling securityholder.

The Company may, from time to time, issue securities otherwise than pursuant to a prospectus supplement to this Prospectus.

By the nature of its business as a pharmaceutical company principally focused on identification, development and commercialization of drug candidates, the Company had negative operating cash flow for its most recent financial year. To the extent the Company has negative cashflows in future periods, the Company may use a portion of its general working capital to fund such negative cash flow. See "*Risk Factors*". If the Company does not achieve positive cash flow, it will be necessary for the Company to raise additional equity or debt. There is no assurance that additional equity or debt will be available on terms acceptable to the Company.

The Company had negative cash flow from continuing operations for the year ended November 30, 2019. The Company's net cash used in continuing operations for the year ended November 30, 2019 totalled \$13,994,526. As at February 29, 2020, further to the completion of the public financing completed by the Company on February 13, 2020, the Company's cash balance was \$11,760,644, and the Company's working capital was \$11,497,118. As at

March 23, 2020, further to the completion of the exercise of the over-allotment on March 5, 2020, the Company's cash balance was \$12,731,354, and the Company's working capital was \$12,809,166. The Company's working capital as at March 23, 2020 was comprised of (i) \$12,731,354 in cash, (ii) accounts receivable totalling \$391,133, (iii) prepaid expenses totalling \$389,735, (iv) \$289,033 representing the unused balance of the ACOA Financing, and accounts payable totalling \$992,088. The Company expects to be able to continue operations, using its currently available cash, for the next 12 months. The Company estimates that its cash flow requirements for the next 12 months will total \$12,709,615, which will be funded using the Company's current cash balance and working capital.

The Company expects that its currently available cash will be sufficient to meet the Company's cash flow requirements for the next 12 months. This expectation is based, among other factors and assumptions, on the fact that the Company's general and administrative expenses as well as its working capital requirements over the following 12 months are expected to be lower than historical amounts, given that the working capital and general and administrative expenditures of the Company for the financial year ended November 30, 2019 included many extraordinary expenses, which are not expected to be recurrent and therefore do not accurately represent the cash needs of the Company for the next 12 months as they relate to working capital and to general and administrative expenditures.

The Company expects reduced costs in general and administrative expenses and working capital mainly in the following areas:

- **Professional fees:** During the financial year ended November 30, 2019, the Company incurred legal fees relating to the signature of multiple partnership agreements for clinical trials as well as distribution and licensing agreements which are not expected to recur in the next 12 months, as the Company does not anticipate to enter into additional partnership, distribution or licensing agreements during the next 12 months, other than partnership, distribution or licensing agreements entered into in the ordinary course of the business of the Company and which are part of the Company's budget. The foregoing fees and expenses amounted to approximately \$17,329. With the Company's partnerships and joint ventures established in 2019, as well as the current COVID-19 crisis, management does not expect to enter into further partnership agreements during the 2020 financial year, unless such partnership agreements include a financing component to cover the costs of forming the partnership as well as funding its operations.

In addition, during the financial year ended November 30, 2019, the Company incurred legal, accounting and advisory fees and expenses relating to the acquisition of Panag, which are not expected to recur in the next 12 months, as the Company does not expect to undertake any business acquisition or extraordinary transaction of such nature. The foregoing fees and expenses amounted to approximately \$866,000.

During the financial year ended November 30, 2019, the Company incurred extraordinary investor relations and public relations fees related to the discovery of mycotoxins in its PPP001 product, in an aggregate amount of approximately \$150,000. In addition, the use by the Company of multiple investor relations and public relations firms resulted in the Company incurring increased fees relating to investor relations and public relations. In total, the Company incurred professional fees for public relations and investor relations fees firms totaling \$248,111 for the financial year ended November 30, 2019. These expenses are expected to decrease to approximately \$200,000 in the next 12 months as the Company does not expect to incur extraordinary investor relations and public relations fees, resulting in savings of approximately \$48,111.

In total, the Company incurred professional fees totaling \$1,701,440 for the year ended November 30, 2019. These expenses are expected to decrease to approximately \$770,000 for the next 12 months, representing savings of approximately \$931,440.

- **Promotional and travel fees:** During the financial year ended November 30, 2019, the Company incurred promotional and travel fees in connection with numerous public relations initiatives to promote the Company as well as educating the public on the discovery of mycotoxins and their impact on humans and their impact for the future development of QIXLEEF™, as well as travel fees in connection with

licensing agreements and partnership agreements, meetings with suppliers and other related initiatives, in an aggregate amount of approximately \$990,263. Given the Company's decision to focus on its CAUMZ™, QIXLEEF™ and PPP003 drug development programs, the Company's extraordinary promotional and travel expenditures are not expected to recur in the next 12 months. In addition, (i) the Company has decided to put all travel expenditures on hold until the fourth quarter of 2020 because of the current COVID-19 pandemic and (ii) the Company's arrangements with former public relations and investor relations firms for promotional services firms have been terminated and the Company has consolidated its promotional services with a single firm. This is expected to represent additional savings of \$450,000 due to reduced travel and \$563,076 due to using a single public relations and investor relations firm. Finally, the Company also incurred \$26,487 in promotional and travel fees related to the Company's former HED business, which the Company has decided to discontinue. See "*Description of the Business – Hemp Energy Drink*" for additional information.

In total, the Company incurred promotional and travel fees totaling \$1,717,563 for the year ended November 30, 2019. These expenses are expected to decrease to approximately \$678,000 for the next 12 months, representing savings of approximately \$1,039,563.

- **Human resources:** During the financial year ended November 30, 2019, the Company incurred recruitment costs related to the hiring of new employees, as well as payroll severance costs, in an aggregate amount of approximately \$398,000. These costs are not expected to recur in the next 12 months, as the Company does not plan on recruiting additional employees and does not anticipate having to pay severance costs. In total, the Company paid salary, benefits and management fees totaling \$3,324,472 for the year ended November 30, 2019. These expenses are expected to decrease to approximately \$3,075,000 for the next 12 months. This represents savings of approximately \$249,472. For the next 12 months, management has assessed the need to hire two additional administrative employees for a total anticipated cost of approximately \$148,000, due to the increased number of clinical and research employees hired in 2019.
- **Contract termination penalty:** During the financial year ended November 30, 2019, the Company incurred a \$250,000 contract termination penalty fee. The Company does not expect to pay any similar fees in the next 12 months.

The reduced costs in general and administrative expenses and working capital detailed above are expected to decrease the Company's expenses by a total of \$1,771,003.

The Company's general administrative expenses and working capital requirements take into consideration budgeting for any new expenses that may be incurred in the next 12 months based on the Company's expected activities and business. During the next 12 months, the Company intends and expects to continue to focus its activities on its drug development program, with a special focus on its CAUMZ™ and QIXLEEF™ programs. Although it is difficult for the Company to accurately assess the impact of the current COVID-19 pandemic on the Company's business, the Company does not currently expect extraordinary or non-recurrent costs to be incurred in the next 12 months. To the extent that the Company shall incur extraordinary costs, Tetra would use its discretion to reduce its research and development expenditures. The Company would, among other things, put in place cost reduction measures or reduce the enrollment rate of its clinical trials to reduce its research and development expenditures and therefore allow cash flow to be used for any such extraordinary expenditures. Although the Company has not yet experienced any significant delays or disruptions in its business activities as a result of the current COVID-19 pandemic, the Company expects that, during the next 12 months, the Company's clinical trials could be significantly delayed as a result of the current COVID-19 pandemic. A delay in the Company's clinical trials due to the COVID-19 pandemic would be expected to result in reduced expenditures for the Company, as the rate of enrolment in the Company's clinical trials would be expected to decrease as a consequence of clinical resources being diverted to the treatment and testing of COVID-19. See "*Recent Developments – Management Update on COVID-19*" and "*Risk Factors – COVID-19 Pandemic*" for additional information.

The Company is not currently contemplating undertaking any acquisition transactions. If an opportunity were to arise to enter into an attractive acquisition transaction for sound business reasons, the Company's intention would

be to undertake such opportunities only if sufficient concurrent financing is put in place. The Company does not intend to use its current available cash for acquisition transactions.

In the three-month period ended August 31, 2019, The Company incurred \$1,815,865 in expenses towards its drug development program. The Company's expenses towards its drug development program may vary greatly depending on the state and progress of its clinical trials and whether there are any delays in the production pipeline of certain of its products.

The Company's current major milestones are as follows:

Description of Milestone ⁽¹⁾	Expected Timing of Completion ⁽¹⁾	Estimated Costs to Completion ⁽¹⁾
PPP011		
<u>Phase 3 in Advance Cancer Pain (SERENITY®)</u>		\$4,355,000 ⁽²⁾⁽³⁾
Launch 25 clinical trial sites in Canada, Mexico and United States	Q1 2021	
Health Canada, FDA and Mexican regulatory agency filings	Q3 2020	
<u>Phase 2 Clinical Trials (REBORN®)</u>		
Initiate site in the United States Phase 2 trials and FDA filings	Q2 – Q4 2020	\$950,000 ⁽⁴⁾⁽⁵⁾
PPP001		
Phase 2/3 in Advance Cancer Pain (PLENITUDE®)	Q3 – Q4 2020	\$583,615 ⁽⁶⁾
Regulatory filing with EMA, FDA regulatory agency trial authorization (IND)		
PPP003		
<u>Painful dry eye – PPP003 (HU-308)</u>		
Completion of IND-enabling toxicology relating to PPP003	Q4 2020 ⁽⁷⁾	\$200,000
Optimize GMP manufacturing for clinical trials		\$88,000 ⁽⁸⁾
Development of Panag products in connection with the acquisition of Panag and the TALLC joint venture	Ongoing 2020	\$875,000 ⁽⁹⁾
HCC011		
Hepatocellular carcinoma (live cancer) trial and regulatory activities related thereto	Q3 2020 – Q1 2021	\$150,000 ⁽¹⁰⁾
Retail Pharma (OTC)		
Launch AWAYE™ beta-caryophyllene products	Q4 2020	\$350,000 ⁽¹¹⁾
Launch TERPACAN™ OTC Drug products		
Milestone Total	\$7,551,615	

Notes:

- (1) Although the Company has not yet experienced any significant delays or disruptions in its business activities as a result of the current COVID-19 pandemic, the Company expects that, during the next 12 months, the Company's operations could be delayed or disrupted as a result of the current COVID-19 pandemic as a consequence of (i) hospital and clinical resources being diverted to the treatment of patients suffering from COVID-19 and the testing of potential infected individuals, as well as research for potential treatments and vaccines for COVID-19, and (ii) governmental agencies experiencing delays or

disruptions due to a lack of resources or personnel or other business interruptions caused by the current COVID-19 pandemic. Due to the speed at which the situation has been developing and the uncertainty of its magnitude, outcome and duration, the Company is not able at this time to estimate with certainty the future impact of COVID-19 on its operations, and whether its clinical trials and regulatory filings will in fact be delayed or disrupted. However, based on the recent experience in China, where the epidemic has started to subside, the Company expects that its clinical trials would be delayed or disrupted during at least three to four quarters. The expected timing of completion of the milestones included in the table above generally represents a delay of at least three to four quarters when compared to the expected time of completion for the same milestones presented in the Company's short form prospectus dated February 6, 2020. Once the COVID-19 crisis will have subsided, and hospital and clinical resources and regulatory agencies will have resumed their normal operations, the Company will be in a position to re-evaluate the time at which it then expects to complete the milestones set forth in the above table, as well as the costs necessary to complete such milestones. The Company estimates that, in order to maintain the same completion targets, such revised costs will include additional clinical sites to accelerate then rate of enrolment in patients as well as to maintain the clinical sites approved during the COVID-19 crisis. See *"Recent Developments – Management Update on COVID-19"* for additional information. It is currently not possible to accurately assess the magnitude, outcome and duration of the COVID-19 crisis, which may have a longer duration and may result in additional delays or disruptions which are not foreseeable by the Company as at the date of this Prospectus. In such event, the Company may need to prioritize other milestones or projects than those set forth in the above table. See *"Risk Factors"*.

- (2) The Company expects that the funds allocated to the Phase 3 clinical trials for SERENITY® will be sufficient to complete such trials.
- (3) In its short form prospectus dated February 6, 2020, the Company disclosed an amount of \$4,855,000 necessary to complete this milestone. The difference represents the approximate amounts incurred by the Company on achieving this milestone between February 13, 2020 and the date of this Prospectus.
- (4) In its short form prospectus dated February 6, 2020, the Company disclosed an amount of \$1,000,000 necessary to complete this milestone. The difference represents the approximate amounts incurred by the Company on achieving this milestone between February 13, 2020 and the date of this Prospectus.
- (5) The Company expects that the funds allocated to the Phase 2 clinical trials of REBORN© will serve to initiate such clinical trials but will not be sufficient to complete them. The Company expects that \$1,000,000 in additional funds will be required to complete Phase 2 clinical trials for REBORN©. Such additional costs would require the Company to raise additional funds.
- (6) In its short form prospectus dated February 6, 2020, the Company disclosed an amount of \$800,000 necessary to complete this milestone. The difference represents the approximate amounts incurred by the Company on achieving this milestone between February 13, 2020 and the date of this Prospectus.
- (7) Should the COVID-19 crisis result in additional delays or disruptions to the Company's business, including its clinical trials and regulatory filings, the Company expects that it would, amongst other things, prioritize the development of its PPP003 drug program, including the acceleration of its HU-308 projects. The Company would prioritize these projects because they have a lower barrier to entry since HU-308 does not involve "controlled substances" or substances regulated under the *Cannabis Act* (Canada). However, the Company expects that obtaining an import-export permit for these drugs could be delayed due to a redirection of Health Canada's priority during the COVID-19 crisis. See *"Recent Developments – Management Update on COVID-19"* and *"Risk Factors"* for additional information.
- (8) In its short form prospectus dated February 6, 2020, the Company disclosed an amount of \$100,000 necessary to complete this milestone. The difference represents the approximate amounts incurred by the Company on achieving this milestone between February 13, 2020 and the date of this Prospectus.
- (9) In its short form prospectus dated February 6, 2020, the Company disclosed an amount of \$900,000 necessary to complete this milestone. The difference represents the approximate amounts incurred by the Company on achieving this milestone between February 13, 2020 and the date of this Prospectus.
- (10) In its short form prospectus dated February 6, 2020, the Company disclosed an amount of \$500,000 necessary to complete this milestone. The difference represents the approximate amounts incurred by the Company on achieving this milestone between February 13, 2020 and the date of this Prospectus.
- (11) In its short form prospectus dated February 6, 2020, the Company disclosed an amount of \$500,000 necessary to complete this milestone. The difference represents the approximate amounts incurred by the Company on achieving this milestone between February 13, 2020 and the date of this Prospectus.

EARNINGS COVERAGE

If we offer Debt Securities having a term to maturity in excess of one year under this Prospectus and any applicable prospectus supplement, the applicable prospectus supplement will include earnings coverage ratios giving effect to the issuance of such securities. See *"Debt Securities"*.

CONSOLIDATED CAPITALIZATION

Other than as disclosed in this Prospectus (including under the section "*Description of the Business – Recent Financings*"), there have been no material changes in our share and loan capital, on a consolidated basis, since August 31, 2019, the date of our most recently filed interim financial statements.

The applicable prospectus supplement will describe any material change, and the effect of such material change, on the share and loan capitalization of the Company that will result from the issuance of securities pursuant to such prospectus supplement.

OUTSTANDING SECURITY DATA

As of the date of this Prospectus, the following securities of the Company were outstanding:

<u>Security</u>	<u>Amount</u>
Common Shares	246,641,506
Options to purchase	4,910,000 Common Shares
Warrants	88,946,652

PRIOR SALES

Common Shares

During the 12-month period prior to the date of this Prospectus, Tetra issued the following Common Shares:

Date of Issuance	Number of Common Shares	Price
April 22, 2019	2,000,000 ⁽¹⁾	\$0.05
May 1, 2019	16,304,348 ⁽²⁾	\$0.55
July 12, 2019	26,833,332 ⁽³⁾	\$0.30
August 2, 2019	870,100 ⁽⁴⁾	\$0.30
February 13, 2020	29,245,300 ⁽⁵⁾	\$0.53
March 5, 2020	4,386,795 ⁽⁶⁾	\$0.53

Notes:

- (12) Common Shares issued pursuant the exercise of 2,000,000 Warrants.
- (13) Common Shares issued to the sellers in connection with the acquisition of Panag completed on May 1, 2019.
- (14) Common Shares issued in connection with the public offering completed on July 12, 2019. See "*Description of the Business – Recent Financings*".
- (15) Common Shares issued in connection with the non-brokered private placement completed on August 2, 2019. See "*Description of the Business – Recent Financings*".
- (16) Common Shares issued in connection with the public offering completed on February 13, 2020. See "*Description of the Business – Recent Financings*".
- (17) Common Shares issued in connection with the exercise in full of the over-allotment option granted to the underwriter in connection with the public offering completed on February 13, 2020. See "*Description of the Business – Recent Financings*".

Options

Pursuant to Tetra's Amended and Restated Stock Option Plan, during the 12-month period prior the date of this Prospectus, Tetra issued the following options exercisable for Common Shares:

Date of Issuance	Number of Options ⁽¹⁾	Exercise Price	Expiry Date	Grant Date Fair Value
August 15, 2019	100,000	\$0.31	August 15, 2022	\$62,031
October 22, 2019	110,000	\$0.20	October 22, 2020	\$7,819
January 29, 2020	1,000,000	\$0.50	January 29, 2023	\$287,000
March 6, 2020	200,000	\$0.42	March 6, 2023	\$35,368

Note:

(1) Vested and non-vested

Warrants

During the 12-month period prior the date of this Prospectus, Tetra issued the following Warrants:

Date of Issuance	Number of Warrants	Exercise Price	Expiry Date	Grant Date Fair Value
July 12, 2019	1,654,078 ⁽¹⁾	\$0.40	July 12, 2021	\$136,036
July 12, 2019	26,833,332 ⁽²⁾	\$0.40	July 12, 2022	\$2,736,082
August 2, 2019	870,100 ⁽³⁾	\$0.40	August 2, 2022	\$88,526
February 13, 2020	29,245,300 ⁽⁴⁾	\$0.75	February 13, 2023	\$4,724,054
February 13, 2020	2,047,171 ⁽⁵⁾	\$0.75	February 13, 2023	\$205,270
March 5, 2020	4,386,795 ⁽⁶⁾	\$0.75	February 13, 2023	\$708,608
March 5, 2020	307,075 ⁽⁷⁾	\$0.75	February 13, 2023	\$30,791

Notes:

- (1) Warrants issued to the agents in connection with the public offering completed on July 12, 2019. See "*Description of the Business – Recent Financings*".
- (2) Warrants issued in connection with the public offering completed on July 12, 2019. See "*Description of the Business – Recent Financings*".
- (3) Warrants issued in connection with the non-brokered private placement on August 2, 2019. See "*Description of the Business – Recent Financings*".
- (4) Warrants issued in connection with the public offering completed on February 13, 2020. See "*Description of the Business – Recent Financings*".
- (5) Warrants issued to the underwriter in connection with the public offering completed on February 13, 2020. See "*Description of the Business – Recent Financings*".
- (6) Warrants issued in connection with the exercise in full of the over-allotment option granted to the underwriter in connection with the public offering completed on February 13, 2020. See "*Description of the Business – Recent Financings*".
- (7) Warrants issued to the underwriter in connection with the exercise in full of the over-allotment option granted to the underwriter in connection with the public offering completed on February 13, 2020. See "*Description of the Business – Recent Financings*".

MARKET FOR SECURITIES

Our Common Shares are listed on the TSXV (trading symbol: TBP) and the OTCQB (trading symbol: TBPMF). The following tables sets forth, for the 12-month period prior to the date of this Prospectus, the high and low

trading prices and composite volume of trading of our Common Shares respectively as reported on the TSXV and the OTCQB.

TSXV			
Period	High Trading Price	Low Trading Price	Volume (#)
2019			
Month ending April 30, 2019	\$0.74	\$0.61	6,859,450
Month ending May 31, 2019	\$0.69	\$0.66	4,207,670
Month ending June 30, 2019	\$0.64	\$0.28	17,269,622
Month ending July 31, 2019	\$0.35	\$0.23	32,951,564
Month ending August 31, 2019	\$0.46	\$0.26	11,572,956
Month ending September 30, 2019	\$0.36	\$0.29	3,487,025
Month ending October 31, 2019	\$0.34	\$0.17	9,202,900
Month ending November 30, 2019	\$0.45	\$0.19	20,064,665
Month ending December 31, 2019	\$0.61	\$0.42	26,949,447
2020			
Month ending January 31, 2020	\$0.69	\$0.40	33,198,420
Month ending February 29, 2020	\$0.52	\$0.31	26,035,780
Month ending March 31, 2020	\$0.42	\$0.20	19,612,640

OTCQB			
Period	High Trading Price (US\$)	Low Trading Price (US\$)	Volume (#)
2019			
Month ending April 30, 2019	0.56	0.46	1,341,492
Month ending May 31, 2019	0.53	0.43	1,148,321
Month ending June 30, 2019	0.48	0.21	2,467,036
Month ending July 31, 2019	0.26	0.18	2,214,250
Month ending August 31, 2019	0.34	0.20	1,798,803
Month ending September 30, 2019	0.27	0.21	711,735
Month ending October 31, 2019	0.25	0.14	1,230,143
Month ending November 30, 2019	0.31	0.14	1,489,227
Month ending December 31, 2019	0.46	0.25	2,678,820
2020			
Month ending January 31, 2020	0.60	0.31	4,865,689
Month ending February 29, 2020	0.56	0.23	4,648,842
Month ending March 31, 2020	0.32	0.14	3,698,919

DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

Common Shares

The authorized share capital consists of an unlimited number of Common Shares, each with no par value.

As at March 31, 2020, the Company had 246,641,506 Common Shares outstanding.

The holders of the Common Shares are entitled:

- To vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;
- To receive any dividend declared by the Company on the Common Shares; and
- Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, to receive the remaining property of the Company upon dissolution, liquidation or winding-up of the Company.

As of the date of this Prospectus, the Company has neither declared nor paid any dividends on its Common Shares since the date of its incorporation, other than the dividend-in-kind of the common shares of North Bud Farms Inc. ("**North Bud**") which was paid on September 12, 2018 *pro rata* to the holders of record of Common Shares as at September 7, 2018 in connection with the agreement to sell all shares of its subsidiary "GrowPros MMP Inc." to North Bud for gross proceeds of \$350,000, as well as 15,500,000 common shares of North Bud (the "**North Bud Dividend**").

Any payments of dividends on the Common Shares will be made in accordance with the CBCA and will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the Board may consider appropriate under the circumstances. It is unlikely that the Company will pay dividends in the immediate or foreseeable future.

Warrants

General

This section describes the general terms that will apply to any Warrants for the purchase of Common Shares, or equity Warrants, or for the purchase of Debt Securities, or debt Warrants.

Warrants may be issued independently or together with other securities, and Warrants sold with other securities may be attached to or separate from the other securities. The Listed Warrants of the Company are listed and posted for trading on the TSXV under the symbols "TBP.WT", "TBP.WT.A" and "TBP.WT.B" respectively. However, Warrants to be issued under this Prospectus may or may not be listed on the TSXV or on any other securities exchange. The prospectus supplement regarding any Warrant to be issued under this Prospectus will provide disclosure regarding whether the Warrants to be issued under such Prospectus Supplement will be listed. Warrants will be issued under one or more warrant agency agreements to be entered into by the Company and with one or more financial institutions or trust companies acting as warrant agent.

This summary of some of the provisions of the Warrants is not complete. The statements made in this Prospectus relating to any warrant agreement and Warrants to be issued under this Prospectus are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable warrant agreement. You should refer to the warrant indenture or warrant agency agreement relating to the specific Warrants being offered for the complete terms of the Warrants. A copy of any warrant indenture or warrant agency agreement relating to an offering of Warrants will be filed by the Company with the securities commissions or similar regulatory authorities in applicable Canadian offering jurisdictions, after it has been entered into, and will be available electronically at www.sedar.com.

The applicable prospectus supplement relating to any Warrants that we offer will describe the particular terms of those Warrants and include specific terms relating to the offering.

In an offering of Warrants, or other convertible securities, original purchasers are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the Warrants, or other convertible securities, are offered to the public under the Prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of such securities, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. 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 advisor.

Equity Warrants

The particular terms of each issue of equity Warrants will be described in the applicable prospectus supplement. This description will include, where applicable:

- the designation and aggregate number of equity Warrants;
- the price at which the equity Warrants will be offered;
- the currency or currencies in which the equity Warrants will be offered;
- the date on which the right to exercise the equity Warrants will commence and the date on which the right will expire;
- the number of Common Shares that may be purchased upon exercise of each equity Warrant and the price at which and currency or currencies in which the Common Shares may be purchased upon exercise of each equity Warrant;
- the terms of any provisions allowing or providing for adjustments in (i) the number and/or class of Common Shares that may be purchased, (ii) the exercise price per Common Share or (iii) the expiry of the equity Warrants;
- whether the Company will issue fractional shares;
- whether the Company has applied to list the equity Warrants or the underlying shares on a securities exchange or automated interdealer quotation system;
- the designation and terms of any securities with which the equity Warrants will be offered, if any, and the number of the equity Warrants that will be offered with each security;
- the date or dates, if any, on or after which the equity Warrants and the related securities will be transferable separately;
- whether the equity Warrants will be subject to redemption or call and, if so, the terms of such redemption or call provisions;
- material Canadian federal income tax consequences of owning the equity Warrants; and
- any other material terms or conditions of the equity Warrants.

Debt Warrants

The particular terms of each issue of debt Warrants will be described in the related prospectus supplement. This description will include, where applicable:

- the designation and aggregate number of debt Warrants;
- the price at which the debt Warrants will be offered;
- the currency or currencies in which the debt Warrants will be offered;

- the designation and terms of any securities with which the debt Warrants are being offered, if any, and the number of the debt Warrants that will be offered with each security;
- the date or dates, if any, on or after which the debt Warrants and the related securities will be transferable separately;
- the principal amount of Debt Securities that may be purchased upon exercise of each debt Warrant and the price at which and currency or currencies in which that principal amount of Debt Securities may be purchased upon exercise of each debt Warrant;
- the date on which the right to exercise the debt Warrants will commence and the date on which the right will expire;
- the minimum or maximum amount of debt Warrants that may be exercised at any one time;
- whether the debt Warrants will be subject to redemption or call, and, if so, the terms of such redemption or call provisions;
- material Canadian federal income tax consequences of owning the debt Warrants; and
- any other material terms or conditions of the debt Warrants.

Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the securities subject to the Warrants.

Units

The Company may issue Units, which may consist of one or more Common Shares, Warrants or any combination of securities as is specified in the relevant prospectus supplement. In addition, the relevant prospectus supplement relating to an offering of Units will describe all material terms of any Units offered, including, as applicable:

- the designation and aggregate number of Units being offered;
- the price at which the Units will be offered;
- the designation, number and terms of the securities comprising the Units and any agreement governing the Units;
- the date or dates, if any, on or after which the securities comprising the Units will be transferable separately;
- whether the Company will apply to list the Units on a securities exchange or automated interdealer quotation system;
- material Canadian federal income tax consequences of owning the Units, including how the purchase price paid for the Units will be allocated among the securities comprising the Units; and
- any other material terms or conditions of the Units.

Debt Securities

The following description of the terms of Debt Securities sets forth certain general terms and provisions of Debt Securities in respect of which a prospectus supplement may be filed. The particular terms and provisions of Debt Securities offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the prospectus supplement filed in respect of such Debt Securities. Prospective investors should rely on information in the applicable prospectus supplement if it is different from the following information.

Debt Securities may be offered separately or in combination with one or more other securities of the Company. The Company may, from time to time, issue Debt Securities and incur additional indebtedness other than through the issue of Debt Securities pursuant to this Prospectus.

The Debt Securities will be issued under one or more indentures (each, a "**Trust Indenture**"), in each case between the Company and a financial institution or trust company organized under the laws of Canada or any province thereof and authorized to carry on business as a trustee (each, a "**Trustee**").

The following description sets forth certain general terms and provisions of the Debt Securities and is not intended to be complete. The particular terms and provisions of the Debt Securities and a description of how the general terms and provisions described below may apply to the Debt Securities will be included in the applicable prospectus supplement. The following description is subject to the detailed provisions of the applicable Trust Indenture. Accordingly, reference should also be made to the applicable Trust Indenture, a copy of which will be filed by the Company with the securities commissions or similar regulatory authorities in applicable Canadian offering jurisdictions, after it has been entered into, and will be available electronically at www.sedar.com.

General

The applicable Trust Indenture will not limit the aggregate principal amount of Debt Securities that may be issued under such Trust Indenture and will not limit the amount of other indebtedness that the Company may incur. The applicable Trust Indenture will provide that the Company may issue Debt Securities from time to time in one or more series and may be denominated and payable in U.S. dollars, Canadian dollars or any foreign currency. Unless otherwise indicated in the applicable prospectus supplement, the Debt Securities will be unsecured obligations of the Company.

The Company may specify a maximum aggregate principal amount for the Debt Securities of any series and, unless otherwise provided in the applicable prospectus supplement, a series of Debt Securities may be reopened for issuance of additional Debt Securities of such series. The applicable Trust Indenture will also permit the Company to increase the principal amount of any series of the Debt Securities previously issued and to issue that increased principal amount.

Any prospectus supplement for Debt Securities supplementing this Prospectus will contain the specific terms and other information with respect to the Debt Securities being offered thereby, including, but not limited to, the following:

- the designation, aggregate principal amount and authorized denominations of such Debt Securities;
- the percentage of principal amount at which the Debt Securities will be issued;
- whether payment on the Debt Securities will be senior or subordinated to other liabilities or obligations of the Company;
- whether the payment of the Debt Securities will be guaranteed by any other person;
- the date or dates, or the methods by which such dates will be determined or extended, on which the Company may issue the Debt Securities and the date or dates, or the methods by which such dates will be determined or extended, on which the Company will pay the principal and any premium on the Debt Securities and the portion (if less than the principal amount) of Debt Securities to be payable upon a declaration of acceleration of maturity;
- whether the Debt Securities will bear interest, the interest rate (whether fixed or variable) or the method of determining the interest rate, the date from which interest will accrue, the dates on which the Company will pay interest and the record dates for interest payments, or the methods by which such dates will be determined or extended;
- the place or places the Company will pay principal, premium, if any, and interest, if any, and the place or places where Debt Securities can be presented for registration of transfer or exchange;
- whether and under what circumstances the Company will be required to pay any additional amounts for withholding or deduction for Canadian taxes with respect to the Debt Securities, and whether and on what terms the Company will have the option to redeem the Debt Securities rather than pay the additional amounts;

- whether the Company will be obligated to redeem or repurchase the Debt Securities pursuant to any sinking or purchase fund or other provisions, or at the option of a holder, and the terms and conditions of such redemption;
- whether the Company may redeem the Debt Securities at its option and the terms and conditions of any such redemption;
- the denominations in which the Company will issue any registered and unregistered Debt Securities;
- the currency or currency Units for which Debt Securities may be purchased and the currency or currency Units in which the principal and any interest is payable (in either case, if other than Canadian dollars) or if payments on the Debt Securities will be made by delivery of Common Shares or other property;
- whether payments on the Debt Securities will be payable with reference to any index or formula;
- if applicable, the ability of the Company to satisfy all or a portion of any redemption of the Debt Securities, any payment of any interest on such Debt Securities or any repayment of the principal owing upon the maturity of such Debt Securities through the issuance of securities of the Company or of any other entity, and any restriction(s) on the persons to whom such securities may be issued;
- whether the Debt Securities will be issued as global securities (defined below) and, if so, the identity of the depositary for the global securities;
- whether the Debt Securities will be issued as unregistered securities (with or without coupons), registered securities or both;
- the periods within which and the terms and conditions, if any, upon which the Company may redeem the Debt Securities prior to maturity and the price or prices of which, and the currency or currency Units in which, the Debt Securities are payable;
- any events of default or covenants applicable to the Debt Securities;
- any terms under which Debt Securities may be defeased, whether at or prior to maturity;
- whether the holders of any series of Debt Securities have special rights if specified events occur;
- any mandatory or optional redemption or sinking fund or analogous provisions;
- the terms, if any, for any conversion or exchange of the Debt Securities for any other securities;
- rights, if any, on a change of control;
- provisions as to modification, amendment or variation of any rights or terms attaching to the Debt Securities;
- the Trustee under the Trust Indenture pursuant to which the Debt Securities are to be issued;
- whether the Company will undertake to list the Debt Securities of the series on any securities exchange or automated interdealer quotation system;
- the material Canadian income tax consequences of owning and disposing of the Debt Securities; and
- any other terms, conditions, rights and preferences (or limitations on such rights and preferences) including covenants and events of default which apply solely to a particular series of the Debt Securities being offered which do not apply generally to other Debt Securities, or any covenants or events of default generally applicable to the Debt Securities which do not apply to a particular series of the Debt Securities.

To the extent that any particular terms of the Debt Securities described in a prospectus supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such prospectus supplement with respect to such Debt Securities.

Unless stated otherwise in the applicable prospectus supplement, no holder of Debt Securities will have the right to require the Company to repurchase the Debt Securities and there will be no increase in the interest rate if the Company becomes involved in a highly leveraged transaction or has a change of control.

The Company may issue Debt Securities bearing no interest or interest at a rate below the prevailing market rate at the time of issuance, and offer and sell these securities at a discount below their stated principal amount. The Company may also sell any of the Debt Securities for a foreign currency or currency unit, and payments on the Debt Securities may be payable in a foreign currency or currency unit. In any of these cases, the Company will describe certain Canadian federal income tax consequences and other special considerations in the applicable prospectus supplement.

Unless otherwise indicated in the applicable prospectus supplement, the Company may issue Debt Securities with terms different from those of Debt Securities previously issued and, without the consent of the holders thereof, reopen a previous issue of a series of Debt Securities and issue additional Debt Securities of such series.

Ranking and Other Indebtedness

Unless otherwise indicated in an applicable prospectus supplement, the Debt Securities will be direct unsecured obligations of the Company. The Debt Securities will be senior or subordinated indebtedness of the Company as described in the applicable prospectus supplement. If the Debt Securities are senior indebtedness, they will rank equally and ratably with all other unsecured indebtedness of the Company from time to time issued and outstanding which is not subordinated. If the Debt Securities are subordinated indebtedness, they will be subordinated to senior indebtedness of the Company as described in the applicable prospectus supplement, and they will rank equally and ratably with other subordinated indebtedness of the Company from time to time issued and outstanding as described in the applicable prospectus supplement. The Company reserves the right to specify in a prospectus supplement whether a particular series of subordinated Debt Securities is subordinated to any other series of subordinated Debt Securities. Unless otherwise described in an applicable prospectus supplement or the obligations of the Company under the Debt Securities are secured by the Company's subsidiaries, the Debt Securities will be structurally subordinated to all existing and future liabilities of the Company's subsidiaries.

The Board may establish the extent and manner, if any, to which payment on or in respect of a series of Debt Securities will be senior or will be subordinated to the prior payment of our other liabilities and obligations and whether the payment of principal, premium, if any, and interest, if any, will be guaranteed by any other person and the nature and priority of any security.

Registration of Debt Securities

Debt Securities in Book Entry Form

Unless otherwise indicated in an applicable prospectus supplement, Debt Securities of any series may be issued in whole or in part in the form of one or more global securities ("**Global Securities**") registered in the name of a designated clearing agency (a "**Depository**") or its nominee and held by or on behalf of the Depository in accordance with the terms of the applicable Trust Indenture. The specific terms of the depositary arrangement with respect to any portion of a series of Debt Securities to be represented by a Global Security will, to the extent not described herein, be described in the prospectus supplement relating to such series. The Company anticipates that the provisions described in this section will apply to all depositary arrangements.

Upon the issuance of a Global Security, the Depository or its nominee will credit, in its book-entry and registration system, the respective principal amounts of the Debt Securities represented by the Global Security to the accounts of such participants that have accounts with the Depository or its nominee ("**Participants**"). Such accounts are typically designated by the underwriters, dealers or agents participating in the distribution of the Debt Securities or by the Company if such Debt Securities are offered and sold directly by the Company. Ownership of beneficial interests in a Global Security will be limited to Participants or persons that may hold beneficial interests through Participants. With respect to the interests of Participants, ownership of beneficial interests in a Global Security will be shown on, and the transfer of that ownership will be effected only through records maintained by the Depository or its nominee. With respect to the interests of persons other than Participants, ownership of beneficial interests in a Global Security will be shown on, and the transfer of that ownership will be effected only through records maintained by Participants or persons that hold through Participants.

So long as the Depositary for a Global Security, or its nominee, is the registered owner of such Global Security, such Depositary or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by such Global Security for all purposes under the applicable Trust Indenture and payments of principal, premium, if any, and interest, if any, on the Debt Securities represented by a Global Security will be made by the Company to the Depositary or its nominee. The Company expects that the Depositary or its nominee, upon receipt of any payment of principal, premium, if any, or interest, if any, will credit Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Security as shown on the records of such Depositary or its nominee. The Company also expects that payments by Participants to owners of beneficial interests in a Global Security held through such Participants will be governed by standing instructions and customary practices and will be the responsibility of such Participants.

Conveyance of notices and other communications by the Depositary to direct Participants, by direct Participants to indirect Participants and by direct and indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of Debt Securities may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Debt Securities, such as redemptions, tenders, defaults and proposed amendments to the Trust Indenture.

Owners of beneficial interests in a Global Security will not be entitled to have the Debt Securities represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of such Debt Securities in certificated non-book-entry form, and will not be considered the owners or holders thereof under the applicable Trust Indenture, and the ability of a holder to pledge a debt security or otherwise take action with respect to such holder's interest in a debt security (other than through a Participant) may be limited due to the lack of a physical certificate.

No Global Security may be exchanged in whole or in part for Debt Securities registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any person other than the Depositary for such Global Security or any nominee of such Depositary unless: (i) the Depositary is no longer willing or able to discharge properly its responsibilities as depositary and the Company is unable to locate a qualified successor; (ii) the Company at its option elects, or is required by law, to terminate the book-entry system through the Depositary or the book-entry system ceases to exist; or (iii) if provided for in the Trust Indenture, after the occurrence of an event of default thereunder (provided the Trustee has not waived the event of default in accordance with the terms of the Trust Indenture), Participants acting on behalf of beneficial holders representing, in aggregate, a threshold percentage of the aggregate principal amount of the Debt Securities then outstanding advise the Depositary in writing that the continuation of a book-entry system through the Depositary is no longer in their best interest.

If one of the foregoing events occurs, such Global Security shall be exchanged for certificated non-book-entry Debt Securities of the same series in an aggregate principal amount equal to the principal amount of such Global Security and registered in such names and denominations as the Depositary may direct.

The Company, any underwriters, dealers or agents and any Trustee identified in an accompanying prospectus supplement, as applicable, will not have any liability or responsibility for (i) records maintained by the Depositary relating to beneficial ownership interests in the Debt Securities held by the Depositary or the book-entry accounts maintained by the Depositary, maintaining, supervising or reviewing any records relating to any such beneficial ownership interests, or (ii) any advice or representation made by or with respect to the Depositary and contained in this Prospectus or in any prospectus supplement or Trust Indenture with respect to the rules and regulations of the Depositary or at the direction of Depositary Participants.

Unless otherwise stated in the applicable prospectus supplement, CDS Clearing and Depository Services Inc. or its successor will act as Depositary for any Debt Securities represented by a Global Security.

Debt Securities in Certificated Form

A series of the Debt Securities may be issued in certificated form, solely as registered securities, solely as unregistered securities or as both registered securities and unregistered securities. Unless otherwise indicated in the applicable prospectus supplement, unregistered securities will have interest coupons attached.

In the event that the Debt Securities are issued in certificated non-book-entry form, and unless otherwise indicated in the applicable prospectus supplement, payment of principal, premium, if any, and interest, if any, on the Debt Securities (other than a Global Security) will be made at the office or agency of the Trustee or, at the option of the Company, by the Company by way of cheque mailed or delivered to the address of the person entitled at the address appearing in the security register of the Trustee or electronic funds wire or other transmission to an account of the person entitled to receive such payments. Unless otherwise indicated in the applicable prospectus supplement, payment of interest, if any, will be made to the persons in whose name the Debt Securities are registered at the close of business on the day or days specified by the Company.

At the option of the holder of Debt Securities, registered securities of any series will be exchangeable for other registered securities of the same series, of any authorized denomination and of a like aggregate principal amount and tenor. If, but only if, provided in an applicable prospectus supplement, unregistered securities (with all unmatured coupons, except as provided below, and all matured coupons in default) of any series may be exchanged for registered securities of the same series, of any authorized denominations and of a like aggregate principal amount and tenor. In such event, unregistered securities surrendered in a permitted exchange for registered securities between a regular record date or a special record date and the relevant date for payment of interest shall be surrendered without the coupon relating to such date for payment of interest, and interest will not be payable on such date for payment of interest in respect of the registered security issued in exchange for such unregistered security, but will be payable only to the holder of such coupon when due in accordance with the terms of the Trust Indenture. Unless otherwise specified in an applicable prospectus supplement, unregistered securities will not be issued in exchange for registered securities.

The applicable prospectus supplement may indicate the places to register a transfer of the Debt Securities in definitive form. Except for certain restrictions to be set forth in the Trust Indenture, no service charge will be payable by the holder for any registration of transfer or exchange of the Debt Securities in definitive form, but the Company may, in certain instances, require a sum sufficient to cover any tax or other governmental charges payable in connection with these transactions.

Subscription Receipts

The Company may issue Subscription Receipts separately or in combination with one or more other securities. The Subscription Receipts will entitle holders thereof to receive, upon satisfaction of certain release conditions and for no additional consideration, Common Shares, Warrants, Units, Debt Securities or any combination thereof. Subscription Receipts will be issued pursuant to one or more subscription receipt agreements (each, a "**Subscription Receipt Agreement**"), each to be entered into between the Company and an escrow agent (the "**Escrow Agent**") that will be named in the relevant prospectus supplement. Each Escrow Agent will be a financial institution organized under the laws of Canada or a province thereof and authorized to carry on business as a trustee. If underwriters or agents are used in the sale of any Subscription Receipts, one or more of such underwriters or agents may also be a party to the Subscription Receipt Agreement governing the Subscription Receipts sold to or through such underwriter or agent.

The following description sets forth certain general terms and provisions of Subscription Receipts that may be issued hereunder and is not intended to be complete. The statements made in this Prospectus relating to any Subscription Receipt Agreement and Subscription Receipts to be issued thereunder are summaries of certain anticipated provisions thereof and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Subscription Receipt Agreement. Prospective investors should refer to the Subscription Receipt Agreement relating to the specific Subscription Receipts being offered for the complete terms of the Subscription Receipts. The Company will file a copy of any Subscription Receipt Agreement relating to an offering of Subscription Receipts with the securities commissions or similar regulatory authorities in applicable Canadian offering jurisdictions, after it has been entered into, and such Subscription Receipt Agreement will be available electronically at www.sedar.com.

General

The prospectus supplement and the Subscription Receipt Agreement for any Subscription Receipts that the Company may offer will describe the specific terms of the Subscription Receipts offered. This description may include, but may not be limited to, any of the following, if applicable:

- the designation and aggregate number of Subscription Receipts being offered;
- the price at which the Subscription Receipts will be offered;
- the designation, number and terms of the Common Shares, Warrants, Units, Debt Securities, or a combination thereof to be received by the holders of Subscription Receipts upon satisfaction of the release conditions, and any procedures that will result in the adjustment of those numbers;
- the conditions (the "**Release Conditions**") that must be met in order for holders of Subscription Receipts to receive, for no additional consideration, the Common Shares, Warrants, Units, Debt Securities, or a combination thereof;
- the procedures for the issuance and delivery of the Common Shares, Warrants, Units, Debt Securities or a combination thereof to holders of Subscription Receipts upon satisfaction of the Release Conditions;
- whether any payments will be made to holders of Subscription Receipts upon delivery of the Common Shares, Warrants or a combination thereof upon satisfaction of the Release Conditions;
- the identity of the Escrow Agent;
- the terms and conditions under which the Escrow Agent will hold all or a portion of the gross proceeds from the sale of Subscription Receipts, together with interest and income earned thereon (collectively, the "**Escrowed Funds**"), pending satisfaction of the Release Conditions;
- the terms and conditions pursuant to which the Escrow Agent will hold Common Shares, Warrants, Units, Debt Securities or a combination thereof pending satisfaction of the Release Conditions;
- the terms and conditions under which the Escrow Agent will release all or a portion of the Escrowed Funds to the Company upon satisfaction of the Release Conditions;
- if the Subscription Receipts are sold to or through underwriters or agents, the terms and conditions under which the Escrow Agent will release a portion of the Escrowed Funds to such underwriters or agents in payment of all or a portion of their fees or commissions in connection with the sale of the Subscription Receipts;
- procedures for the refund by the Escrow Agent to holders of Subscription Receipts of all or a portion of the subscription price of their Subscription Receipts, plus any pro rata entitlement to interest earned or income generated on such amount, if the Release Conditions are not satisfied;
- any contractual right of rescission to be granted to initial purchasers of Subscription Receipts in the event that this Prospectus, the prospectus supplement under which Subscription Receipts are issued or any amendment hereto or thereto contains a misrepresentation;
- any entitlement of Tetra to purchase the Subscription Receipts in the open market by private agreement or otherwise;
- whether the Company will issue the Subscription Receipts as global securities and, if so, the identity of the depository for the global securities;
- whether the Company will issue the Subscription Receipts as bearer securities, as registered securities or both;
- provisions as to modification, amendment or variation of the Subscription Receipt Agreement or any rights or terms of the Subscription Receipts, including upon any subdivision, consolidation, reclassification or other material change of the Common Shares, Warrants or other Tetra securities, any other reorganization, amalgamation, merger or sale of all or substantially all of the Company's assets or any distribution of property or rights to all or substantially all of the holders of Common Shares;

- whether the Company will apply to list the Subscription Receipts on a securities exchange or automated interdealer quotation system;
- material Canadian federal income tax consequences of owning the Subscription Receipts; and
- any other material terms or conditions of the Subscription Receipts.

Rights of Holders of Subscription Receipts Prior to Satisfaction of Release Conditions

The holders of Subscription Receipts will not be, and will not have the rights of, shareholders of Tetra. Holders of Subscription Receipts are entitled only to receive Common Shares, Warrants, Units, Debt Securities or a combination thereof on exchange of their Subscription Receipts, plus any cash payments, all as provided for under the Subscription Receipt Agreement and only once the Release Conditions have been satisfied. If the Release Conditions are not satisfied, holders of Subscription Receipts shall be entitled to a refund of all or a portion of the subscription price thereof and all or a portion of the pro rata share of interest earned or income generated thereon, as provided in the Subscription Receipt Agreement.

Escrow

The Subscription Receipt Agreement will provide that the Escrowed Funds will be held in escrow by the Escrow Agent, and such Escrowed Funds will be released to the Company (and, if the Subscription Receipts are sold to or through underwriters or agents, a portion of the Escrowed Funds may be released to such underwriters or agents in payment of all or a portion of their fees in connection with the sale of the Subscription Receipts) at the time and under the terms specified by the Subscription Receipt Agreement. If the Release Conditions are not satisfied, holders of Subscription Receipts will receive a refund of all or a portion of the subscription price for their Subscription Receipts, plus their pro rata entitlement to interest earned or income generated on such amount, if provided for in the Subscription Receipt Agreement, in accordance with the terms of the Subscription Receipt Agreement. Common Shares, Warrants, Units and Debt Securities may be held in escrow by the Escrow Agent and will be released to the holders of Subscription Receipts following satisfaction of the Release Conditions at the time and under the terms specified in the Subscription Receipt Agreement.

Modifications

The Subscription Receipt Agreement will specify the terms upon which modifications and alterations to the Subscription Receipts issued thereunder may be made by way of a resolution of holders of Subscription Receipts at a meeting of such holders or consent in writing from such holders. The number of holders of Subscription Receipts required to pass such a resolution or execute such a written consent will be specified in the Subscription Receipt Agreement.

The Subscription Receipt Agreement will also specify that the Company may amend any Subscription Receipt Agreement and the Subscription Receipts, without the consent of the holders of the Subscription Receipts, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision, or in any other manner that will not materially and adversely affect the interests of the holders of outstanding Subscription Receipts or as otherwise specified in the Subscription Receipt Agreement.

The Company has delivered an undertaking to the securities regulatory authority in each of the provinces of Canada that it will not distribute securities that, according to the aforementioned terms as described in the applicable prospectus supplement for securities supplementing this Prospectus, are "novel" specified derivatives within the meaning of Canadian securities legislation, separately to any member of the public in Canada, unless such prospectus supplement containing the specific terms of the securities to be distributed separately is first approved by or on behalf of the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Warrants will be distributed.

The foregoing summary of certain of the principal provisions of the securities is a summary of anticipated terms and conditions only and is qualified in its entirety by the description in the applicable prospectus supplement under which any securities are being offered.

PLAN OF DISTRIBUTION

New Issue

We may sell securities to or through underwriters or dealers, and also may sell securities to one or more other purchasers directly or through agents, including sales pursuant to ordinary brokerage transactions and transactions in which a broker-dealer solicits purchasers or may issue securities in whole or in partial payment of the purchase price of assets acquired by us or our subsidiaries, or any other method pursuant to applicable law. Each prospectus supplement will set forth the terms of the offering or issue, including the name or names of any underwriters, agents or selling securityholders, the purchase price or prices of the securities, the proceeds to us from the sale of the securities and any commissions, fees, discounts and other items constituting underwriters', dealers' or agents' compensation.

Our securities may be sold, from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices, including sales in transactions that are deemed to be "at-the-market distributions" as defined in National Instrument 44-102 – Shelf Distributions, including sales made directly on the TSXV or other existing trading markets for the securities. In the event that the Company determines to pursue an "at-the-market distribution" in Canada, the Company will apply for the applicable exemptive relief from the Canadian securities commissions, which may include complying with the Prospectus requirement in Québec. The prices at which the securities may be offered may vary between purchasers and during the period of distribution. If, in connection with the offering of securities at a fixed price or prices, the underwriters have made a bona fide effort to sell all of the securities at the initial offering price fixed in the applicable prospectus supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial public offering price fixed in such prospectus supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the securities is less than the gross proceeds paid by our underwriters.

Underwriters, dealers and agents who participate in the distribution of the securities may be entitled to, under agreements to be entered into with us, indemnification by us against certain liabilities, including liabilities under the U.S. Securities Act and applicable Canadian provincial securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for us in the ordinary course of business.

In connection with any offering of our securities, other than an "at-the-market distribution", the underwriters may over-allot or effect transactions which stabilize or maintain the market price of our securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. Each prospectus supplement will set forth the terms of such transactions.

Secondary Offering

This Prospectus may also, from time to time, relate to the offering of Common Shares by certain selling securityholders. The prospectus supplement that we will file in connection with any offering of Common Shares by selling securityholders will include the following information:

- the names of the selling securityholders;
- the number or amount of Common Shares owned, controlled or directed by each selling securityholder;
- the number or amount of Common Shares being distributed for the account of each selling securityholder;
- the number or amount of securities to be owned, controlled or directed by the selling securityholders after the distribution and the percentage that number or amount represents of the total number of our outstanding securities;
- the date or dates the selling securityholder acquired the Common Shares if such Common Shares were acquired within two years preceding the date of this Prospectus;

- if the selling securityholder acquired any Common Shares in the 12 months preceding the date of the applicable prospectus supplement, the cost thereof to the securityholder in the aggregate and on an average cost per security basis; and
- whether such Common Shares are owned by the selling securityholders both of record and beneficially, of record only or beneficially only.

The selling securityholders may sell all or a portion of the Common Shares beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If Common Shares are sold through underwriters or broker-dealers, the selling securityholders will be responsible for underwriting discounts or commissions or agent's commissions. Common Shares may be sold by the selling securityholders in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions, as follows:

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- through the writing of options, whether such options are listed on an options exchange or otherwise;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the TSXV;
- privately negotiated transactions;
- short sales;
- broker-dealers may agree with the selling securityholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

If the selling securityholders effect such transactions by selling the Common Shares to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling securityholders or commissions from purchasers of our Common Shares for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the Common Shares or otherwise, the selling securityholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the Common Shares in the course of hedging in positions they assume. The selling security holders may also sell the Common Shares short and deliver the Common Shares covered by this Prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling securityholders may also loan or pledge the Common Shares to broker-dealers that in turn may sell such shares.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The applicable prospectus supplement may describe certain Canadian federal income tax consequences to an investor who is a non-resident of Canada or to an investor who is a resident of Canada acquiring, owning and disposing of any of our securities offered thereunder.

Investors should read the tax discussion in any prospectus supplement with respect to a particular offering and consult their own tax advisors with respect to their own particular circumstances.

EXEMPTION FROM NATIONAL INSTRUMENT 44-102

Pursuant to a decision of the Autorité des marchés financiers dated March 13, 2020, the Company was granted a permanent exemption from the requirement to translate into French this Prospectus, any of the documents incorporated by reference therein into French, or any prospectus supplement to be filed in relation to an "at-the-market" distribution. This exemption is granted on the condition that this Prospectus and any prospectus supplement (other than in relation to an "at-the-market" distribution) be translated into French if the Company offers securities to Quebec purchasers in connection with an offering other than in relation to an "at-the-market" distribution.

AUDITORS, TRANSFER AGENT AND REGISTRAR

McGovern Hurley LLP is the independent auditor of the Company and is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

The registrar and transfer agent for the Common Shares is Computershare Investor Services Inc. at its offices in Montréal, Québec.

LEGAL MATTERS

Certain legal matters related to this Prospectus will be passed upon on behalf of the Company by Stikeman Elliott LLP, with respect to certain matters of Canadian law. Neither Stikeman Elliott LLP nor any partner, principal or employee thereof, as applicable, received or has received a direct or indirect interest in the Company or of any associate or affiliate of the Company. As at the date hereof, the partners and associates of Stikeman Elliott LLP beneficially own, directly or indirectly, less than 1% of our outstanding securities.

WHERE YOU CAN FIND MORE INFORMATION

We are required to file with the securities commission or authority in each of the provinces of Canada annual and quarterly reports, material change reports and other information.

You may read any document we file with or furnish to the securities commissions and authorities of each of the provinces of Canada, through SEDAR at www.sedar.com.

PURCHASERS' STATUTORY AND CONTRACTUAL 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. However, purchasers of Common Shares under an at-the-market distribution by the Company will not have the right to withdraw from an agreement to purchase Common Shares and will not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, because the prospectus, prospectus supplements relating to Common Shares purchased by the purchaser and any amendment relating to Common Shares purchased by purchaser will not be delivered in cases where an exemption from such delivery requirement has been obtained.

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, the accompanying prospectus supplement and any amendment contains a misrepresentation or is not delivered to the purchaser (except where an exemption from such delivery requirement has been obtained), provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Any remedies under securities legislation that a purchaser of Common Shares under an at-the-market distribution by the Company

may have against the Company or agents for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment contain a misrepresentation will remain unaffected by the non-delivery in cases where an exemption from such delivery requirement has been obtained. 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.

In the event of an offering of convertible, exchangeable or exercisable securities such as Warrants, Debt Securities or Subscription Receipts, you are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable securities are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if you pay additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. You should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

Original purchasers of Warrants, Subscription Receipts or convertible or exchangeable Debt Securities (or Units comprised partly thereof) will have a contractual right of rescission against the Company following the issuance of underlying securities of the Company to such original purchasers upon the conversion, exchange or exercise of the Warrant, the Subscription Receipt or the convertible or exchangeable Debt Security. The contractual right of rescission will be further described in the applicable prospectus supplement, but will, in general, entitle such original purchasers to receive the amount paid for the applicable convertible, exchangeable or exercisable security (and any additional amount paid upon conversion, exchange or exercise) upon surrender of the underlying securities of the Company issued upon the conversion, exchange or exercise of the applicable convertible, exchangeable or exercisable security, in the event that this Prospectus, the relevant prospectus supplement or an amendment contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase under this Prospectus of the applicable convertible, exchangeable or exercisable security; and (ii) the right of rescission is exercised within 180 days of the date of the purchase under this prospectus of the applicable convertible, exchangeable or exercisable security. This contractual right of rescission will be consistent with the statutory right of rescission described under Section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under Section 130 of the *Securities Act* (Ontario) or otherwise at law. Original purchasers are further advised that in certain provinces the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the applicable convertible, exchangeable or exercisable security that was purchased under a prospectus, and therefore a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages.

CERTIFICATE OF THE COMPANY

April 1, 2020

This short form prospectus, together with the documents incorporated in this short form prospectus 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.

The Company:

(s) Guy Chamberland

(signed) Guy Chamberland
Chief Executive Officer and Chief Regulatory
Officer

(s) Sabino Di Paola

(signed) Sabino Di Paola
Chief Financial Officer

On behalf of the Board of Directors

(s) Bill Cheliak

(signed) Bill Cheliak
Director

(s) Carl Merton

(signed) Carl Merton
Director