

TETRA **BIO-PHARMA**

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 19, 2018

May 22, 2018

**NOTICE OF THE ANNUAL MEETING
OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Tetra Bio-Pharma Inc. (the “Corporation” or “Tetra”) will be held at the offices of Stikeman Elliott LLP located at 1155, René-Lévesque Blvd. West, 41st Floor, Montréal, Quebec H3B 3V2, on June 19, 2018, at 2:00 p.m. (Eastern Daylight Time), for the following purposes:

1. to present to the shareholders the annual audited financial statements of the Corporation for the year ended November 30, 2017, as well as the auditors' report thereon;
2. to elect the directors of the Corporation to hold office until the close of the next annual meeting of the shareholders of the Corporation or until their successors shall be appointed or elected;
3. to appoint the auditors of the Corporation, to hold office until the close of the next annual meeting of the shareholders of the Corporation or until a successor is appointed, and to authorize the Board of Directors of the Corporation to fix the auditors' remuneration; and
4. To consider and approve a resolution ratifying and approving the Corporation's existing stock option plan, the text of which resolution is set forth in the Information Circular which accompanies this Notice of Meeting; and
5. to transact such other business that may properly come before the meeting.

The record date for determining the shareholders entitled to receive notice and vote at the Meeting is the close of the business (5:00 PM Eastern Daylight Time) on May 15, 2018 (the “Record Date”). Only shareholders whose names have been entered in the register of Tetra shareholders as of the close of business on the Record Date are entitled to receive notice of and vote at the Meeting.

Registered shareholders may attend the meeting in person or may be represented by proxy. Shareholders who are unable to attend the meeting, or any adjournment or postponement thereof, in person, are requested to date, sign and return the accompanying proxy for use at the meeting or any adjournment or postponement thereof. To be effective the form of proxy must be received by Tetra's transfer agent Computershare Trust Company of Canada at its offices at 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario, M5J 2Y1 (according to the instructions on the proxy), not less than 48 hours (other than a Saturday, Sunday or holiday) immediately preceding the date of the meeting (as it may be adjourned or postponed from time to time).

If you are a non-registered holder of common shares and have received these materials through your broker or through another intermediary, please follow the instructions set out in the voting instruction form or other instructions received from the financial intermediary to ensure that your common shares will be voted at the meeting.

Dated this 22nd day of May, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(s) “Guy Chamberland”

Guy Chamberland, Interim Chief Executive Officer

TETRA BIO-PHARMA INC.

(the "Corporation")

MANAGEMENT PROXY CIRCULAR

(Containing information as at May 22, 2018 unless indicated otherwise)

MANAGEMENT INFORMATION CIRCULAR

In this document, "you" and "your" refer to the shareholder. "We", "us", "our", the "Corporation" and "Tetra" refer to Tetra Bio-Pharma Inc. The information in this document is presented at May 22, 2018, unless otherwise indicated.

This management information circular (the "Circular") is for the annual meeting (the "Meeting") of shareholders of Tetra ("Shareholders") to be held on June 19, 2018 at 2:00 p.m. (Eastern Daylight Time) at the offices of Stikeman Elliott LLP located at 1155, René-Lévesque Blvd. West, 41st Floor, Montréal, Quebec H3B 3V2. Provided you are a Shareholder as of the Record Date (defined below) you have the right to vote the common shares of the Corporation (the "Common Shares") for the appointment of auditors, election of directors, ratification of the Corporation's stock option plan and any other items that may properly come before the Meeting or any adjournment of the Meeting.

To help you make an informed decision, please read this Circular and our financial statements and Management's Discussion & Analysis for the year ended November 30, 2017. This Circular gives you valuable information about the Corporation and the matters to be dealt with at the Meeting. Financial information is provided in our comparative annual financial statements and related management discussions and analysis for the financial year ended November 30, 2017. All currency amounts referred to in this Circular are expressed in Canadian dollars, unless stated otherwise.

SOLICITATION OF PROXIES

The management of the Corporation solicits proxies to be used at the annual meeting of shareholders (the "Meeting") of the Corporation to be held at the time and place and for the purposes set forth in the attached notice of meeting and at any adjournment thereof. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this information circular (the "Circular") that it is sending to all the security holders entitled to receive a notice of meeting.

We are sending the Meeting Materials (as defined below) directly to registered shareholders and non-objecting beneficial shareholders, and we will also provide the Meeting Materials to brokers, custodians, nominees and other fiduciaries to forward them to objecting beneficial shareholders. The solicitation of proxies will primarily be by mail, but proxies may also be solicited personally or by telephone, facsimile, or other electronic means by directors, officers, employees or agents of the Corporation, who will not be specifically remunerated therefor.

These Meeting Materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these Meeting Materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

If you cannot attend the Meeting in person, complete and return the enclosed form of proxy following the instructions therein.

Refer to "Advice to Non-Registered Shareholders" for additional information.

QUORUM FOR THE TRANSACTION OF BUSINESS

Pursuant to the by-laws of Tetra, subject to the Canadian Business Corporations Act ("CBCA") in respect of a majority shareholder, a quorum for the transaction of business at any meeting of Shareholders is two persons present in person or represented by proxy, representing at least 10% of the issued and outstanding Common Shares entitled to vote at the meeting.

APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A Shareholder has the right to appoint a person or company (who need not be a Shareholder) other than the persons designated in the form of proxy provided by Tetra to represent the Shareholder at the Meeting. To exercise this right, the Shareholder should strike out the names of management designees in the enclosed form of proxy and insert the name of the desired representative in the blank space provided in the form of proxy or submit another appropriate form of proxy.** Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting. In order to be effective, Shareholders must send their proxy to Tetra's registrar and transfer agent, Computershare Trust Company of Canada ("Computershare") at its offices at 100 University Avenue, 8th Floor, Toronto, ON, M5J 2Y1 or by telephone at 1-866-732-8683 (according to the instructions on the proxy), not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting, being June 19, 2018 (subject to any adjournment or postponement). The chair of the Meeting may waive this cut-off at his discretion without notice but proxies will not be accepted by the chair at the Meeting. The proxy shall be in writing and executed by the respective Shareholder or such Shareholder's attorney authorized in writing, or if such Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney.

In addition to revocation in any other manner permitted by applicable laws, a Shareholder may revoke a proxy by signing and dating a written notice of revocation and delivering it:

- (a) to the office of Computershare at the address set forth above at any time up to and including the close of business on the last business day before the day of the applicable Meeting, or any adjournment or postponement thereof (the notices of revocation will be forwarded to Tetra's registered office); or
- (b) to the chair of the Meeting before the vote is taken.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the enclosed form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the instructions of the Shareholder appointing them.

IN THE ABSENCE OF SUCH INSTRUCTIONS, SUCH COMMON SHARES WILL BE VOTED:

- (A) FOR THE ELECTION OF THE DIRECTORS NAMED HEREIN;**
- (B) FOR THE APPOINTMENT OF THE AUDITORS NAMED HEREIN AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION; AND**
- (C) FOR THE RATIFICATION OF THE CORPORATION'S STOCK OPTION PLAN.**

In the absence of instructions, the persons named in the enclosed form of proxy will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the notice of meeting or in the Circular.

Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting, or any adjournment thereof. If such amendments or new points were to be properly brought before the Meeting, or any adjournment thereof, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable, pursuant to the discretionary authority conferred by the proxy with respect to such matters.

If you do not specify how you want your Common Shares voted, the management proxy nominees named as proxyholders will vote your Common Shares IN FAVOUR of each item scheduled to come before the meeting and as he or she sees fit on any other matter that may properly come before the meeting.

SHAREHOLDER PROPOSALS FOR 2019 ANNUAL MEETING

Shareholder proposals intended to be presented at the Corporation's 2019 annual meeting of shareholders must be submitted for inclusion in the Corporation's proxy materials prior to the date which is 90 days before the anniversary date of the notice of meeting accompanying this circular.

AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital stock of the Corporation consists of an unlimited number of Common Shares without par value. Each common share entitles its holder to one vote. On the date hereof, there were 152,961,631 Common Shares of the Corporation issued and outstanding.

The Board of Directors of the Corporation (the "Board") fixed the close of business on May 15, 2018 as the record date (the "Record Date") for determining which shareholders shall be entitled to receive notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the record date that shows the number of Common Shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the Common Shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during usual business hours at the management office of the Corporation.

As at the date hereof, to the knowledge of the directors and executive officers of the Corporation, no person holds 10% or more of the issued Common Shares of the Corporation.

ADVICE TO NON-REGISTERED SHAREHOLDERS

The information set forth in this section is important to the many shareholders who do not hold Common Shares of the Corporation in their own names (the "Non-Registered Holders"). Non-Registered Holders should note that only shareholders whose names appear on the records of the Corporation as registered holders of Common Shares as at the close of business on May 15, 2018 are entitled to vote in person or by proxy at the Meeting. However, in many cases, Common Shares of the Corporation beneficially owned by a Non-Registered Holder are registered either:

- (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or "CDS") of which the Intermediary is a participant or in the name of a nominee thereof.

In accordance with the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54 101") of the Canadian Securities Administrators (the "CSA"), the Corporation has distributed copies of the accompanying notice of meeting (the "Notice of Meeting"), this Circular and a form of proxy or a voting instruction form, as applicable, (collectively, the "Meeting Materials") to the Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive the Meeting Materials will either:

- (c) be given a proxy which is signed by the Intermediary (typically by a facsimile, stamped signature) and already sets forth the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. The Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare Investor Services Inc. as described above; or
- (d) more typically, be given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions set forth on such voting instruction form.

Common Shares held by or through Intermediaries can be voted for or against resolutions only upon the instructions of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for a Non-Registered Holder. The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own.

Should a Non-Registered Holder who receives either a proxy or a voting instruction form (as applicable) wish to attend and vote at the Meeting in person (or appoint another person or company (who need not be a shareholder of the Corporation) to attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's or company's) name in the blank space provided, or, in the case of a voting instruction form, follow the corresponding directions on the form. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies and ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person at the appropriate time.

All references to shareholders in this Circular, the enclosed form of proxy and the notice of meeting are to the registered shareholders unless specifically stated otherwise.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- (a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;
- (b) each proposed nominee for election as a director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

MATTERS FOR CONSIDERATION AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The Corporation's annual financial statements for the fiscal year ended November 30, 2017 and the auditor's report thereon will be presented to the Meeting but will not be subject to a vote.

ELECTION OF DIRECTORS

The by-laws of the Corporation provide that the members of the Board are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed.

The mandates of André Rancourt, Dr. W.M. (Bill) Cheliak, Benoit Chotard, Gregory Drohan and Carl Merton expire on the date of the Meeting on June 19, 2018. Management does not contemplate that any of the nominees will be unable to serve on the Board but, if this should occur for any reason prior to the Meeting, the person named in the enclosed form of proxy reserves the right to vote for another nominee at his discretion unless the Shareholder has indicated in the form of proxy his wish to abstain from exercising the voting rights attached to his Common Shares at the time of the election of the directors.

Set out below in tabular form, are the names of all individuals proposed to be nominated by the management of the Corporation as directors together with related information:

Name	Office held	Director since	Number of Common Shares beneficially owned or over which control is exercised	Present principal occupation
André Rancourt Sherbrooke, QC ⁽¹⁾ (2)	Director	September 19, 2016	1,615,000	Executive Chairman of the Board
Dr. W.M. (Bill) Cheliak ⁽¹⁾ Pembroke, ON	Director	July 10, 2017	-	CEO of Panag Pharma Inc.
Benoit Chotard Burnaby, BC	Director	March 14, 2018	1,400,000	Managing Partner, Capital Force United (CFU) President & CEO and Director of Orletto Capital Inc. and Orletto Capital II Inc.
Gregory Drohan Etobicoke, ON	Director	April 10, 2018	-	Management consultant
Carl Merton ⁽¹⁾ Belle River, ON	Director	June 22, 2017	-	Chief Financial Officer of Aphria Inc.

(1) Members of the Audit Committee.

(2) Mr. Rancourt was previously Chief Executive Officer of the Corporation from September 19, 2016 to July 24, 2017.

(3) Mr. Rancourt exercises control over 1,615,000 Common Shares held by 9206-8618 Québec Inc.

Each nominee has supplied the information concerning the number of Common Shares over which he exercises control or direction. Each nominee was elected director of the Corporation at a shareholders' meeting for which an information circular was issued with the exception of Mr. Benoit Chotard and Mr. Gregory Drohan, who were appointed as director of the Corporation by the directors, and who are being nominated for election at the Meeting. The biographies of Messrs. Chotard and Drohan are set forth below.

Benoit Chotard

Mr. Chotard was previously a member of the Board from September 2016 to July 2017. Mr. Chotard is a corporate finance & development executive who has over 20 years of international corporate finance, management and public market expertise. Previously, Mr. Chotard was employed as managing partner at Capital Force United, as President & CEO, and Director of Orletto Capital Inc., Vice-president Corporate Development for Pakit Inc., Senior Vice-president Finance Corporate Development and acting as Chief Financial Officer for CANTRONIC Systems (Canada) Inc., Vice-President Chief Financial Officer of Victrom Human Bionics, and spent eight years as Head of the Technology Investment Group of National Bank Financial Inc. Mr. Chotard has been a Member of "Ordre des ingénieurs du Québec" since 1989 and obtained a bachelor's degree in Chemical Engineering (1989) and a MBA (1993) from the Université de Sherbrooke.

Gregory Drohan

Until 2013, Greg Drohan was President of the board of Church and Dwight Canada Corp. While with Church and Dwight Canada, Drohan successfully merged the Church & Dwight and Carter-Horner businesses which lead to the doubling of sales revenue and achieved #1 market share on brands such as Trojans, Oxi Clean, First Response, Rub A535 and Arm & Hammer. Following his successful 40-year career in the consumer products sector, Mr. Drohan has established a management consulting practice. His previous board experiences include President on the Board of Church and Dwight and director of the Ryerson University Alumni Relations Board. Drohan holds an MBA from York University and a BBM from Ryerson Polytechnical Institute.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation none of the foregoing nominees for election as a director of the Corporation:

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

To the knowledge of the Corporation, none of the nominees for election as director of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

You can vote for the election of all the candidates described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them.

In the absence of instructions to the contrary, the persons designated in the enclosed form of proxy intend to vote **IN FAVOUR** of the election of each of the candidates described above as director of the Corporation.

APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD TO FIX THE REMUNERATION OF THE AUDITORS

Since December 2014, McGovern, Hurley, Cunningham, LLP ("**MHC**") have been appointed to act as auditors of the Corporation.

The shareholders of the Corporation are asked to vote for the re-appointment of MHC, as auditors of the Corporation for the financial year ending November 30, 2017 and to authorize the directors to establish their remuneration.

In the absence of instructions to the contrary, the persons designated in the enclosed form of proxy intend to vote **IN FAVOUR** of the appointment of MHC as the auditors of the Corporation to hold office until the next meeting of shareholders, and to vote **IN FAVOUR** of the authorization given to the directors to fix the auditors' remuneration.

RATIFICATION OF STOCK OPTION PLAN

The Corporation presently has in place a "rolling" stock option plan, whereby the Corporation is authorized to grant Stock Options of up to 10% of its issued and outstanding Common Shares, from time to time. Under policy 4.4 of the TSX Venture Exchange (the "Exchange") entitled Incentive Stock Options, listed companies having a rolling stock option plan must obtain yearly approval of its disinterested Shareholders to such plan at their annual general meeting. The stock option plan is such a rolling stock option plan and accordingly the disinterested Shareholders will be asked to adopt a resolution granting their yearly approval to the stock option plan.

As at the Record Date, and based on the information available to the Corporation, holders of 14,432,872 Common Shares are not entitled to vote on the resolution to ratify the stock option plan.

The stock option plan is subject to receipt of annual Exchange acceptance to its filing. Disinterested Shareholders will be asked to consider, and if thought fit to approve an ordinary resolution ratifying and approving the Corporation's existing stock option plan. The text of the proposed resolution is as follows:

"RESOLVED, AS AN ORDINARY RESOLUTION OF THE DISINTERESTED SHAREHOLDERS AND SUBJECT TO REGULATORY APPROVAL, THAT:

1. the Corporation's stock option plan, dated July 8, 2013, as amended by the board of directors of the Corporation on December 29, 2014 and on May 8, 2017 (the "Stock Option Plan"), be and it is hereby ratified, confirmed and approved;
2. the Corporation be authorized to grant stock options pursuant and subject to the terms and conditions of the Stock Option Plan, entitling the option holders to purchase up to that number of common shares in the capital of the Corporation (the "Common Shares") that would equal 10% of the issued and outstanding Common Shares as at the time of the grant;
3. all the votes cast by shareholders of the Corporation who are insiders of the Corporation or by associates or affiliates of such persons will not be considered for the purpose of this resolution;
4. any one director or officer of the Corporation be and is hereby authorized for and on behalf of the Corporation to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution."

Reference should be made to the full text of the stock option plan which is attached to this circular as Schedule "A".

For more information on the stock option plan see "Securities Authorized for Issuance Under Equity Compensation Plans – Stock Option Plan".

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS**COMPENSATION OF EXECUTIVE OFFICERS*****Compensation Discussions and Analysis******Interpretation***

"Named Executive Officer" ("NEO") means each of the following individuals:

- (a) the Chief Executive Officer ("CEO");
- (b) the Chief Financial Officer ("CFO");
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and the Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are: Bernard Fortier, former Chief Executive Officer of the Corporation, André Rancourt, former Interim Chief Executive Officer of the Corporation, Bernard Lessard, Chief Financial Officer of the Corporation, Sabino di Paola, former Chief Financial Officer of the Corporation and Guy Chamberland, current Interim Chief Executive Officer and Chief Scientific Officer of the Corporation.

Compensation Program Objectives

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

Purpose of the Compensation Program

The Board, as a whole, ensures that total compensation paid to all NEOs is fair and reasonable and accomplishes the following long-term objectives:

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

The Board also relies on the experience of its members in assessing compensation levels.

Elements of Compensation Program

The executive compensation program consists of a combination of cash compensation, bonus and stock option incentives.

Purpose of Each Element of the Executive Compensation Program

The cash compensation of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

Stock options are generally awarded to NEOs on an annual basis. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term.

Determination of the Amount of Each Element of the Executive Compensation Program

Intervention of the Board

The cash compensation of the NEOs, other than the President/CEO, is reviewed annually by the President/CEO, who makes recommendations to the Board. The Board reviews the recommendations of the President/CEO and approves the cash compensation of the NEOs based on the recommendations of the President/CEO. The cash compensation for the President/CEO is reviewed annually by the Board.

Cash Compensation

The cash compensation review of each NEO takes into consideration the current competitive market conditions, experience and the particular skills of the NEO. Base compensation is not evaluated against a formal "peer group". The Board relies on the general experience of its members in setting base compensation amounts.

Bonuses

The bonus for each individual NEO varies dependent upon the position and is determined by the Board. The amount of the NEO's annual cash bonus in respect of each fiscal year is tied to the achievement by the NEO of performance objectives established from time to time by the Board, consistent with the criteria set for other senior management executives of the Corporation, and based on such factors as are determined by the Board or a committee thereof from time to time.

Stock Options

The Corporation has established a formal plan (the "Stock Option Plan") under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Stock Option Plan, the number of options granted to such individuals, the date on which each option is granted and the corresponding exercise price. For further information regarding the Stock Option Plan refer to "Securities Authorized for Issuance Under Equity Compensation Plans – Stock Option Plan".

The Board makes these determinations subject to the provisions of the existing Stock Option Plan and, where applicable, the policies of the Exchange.

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The cash compensation of each NEO, combined with any bonuses and granting of stock options, has been designed to provide total compensation which the Board believes is competitive. Overall compensation is not evaluated against a formal "peer group".

The grant of stock options to NEOs is tied to the financial results of the Corporation.

The Corporation is not aware of any significant event that has occurred during the most recently completed financial year that has significantly affected compensation, and the Corporation has not waived or changed any performance criterion or goal. The Corporation determines the value of the annual cash bonus based on objective, identifiable measures.

Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Corporation for services in all capacities to the Corporation for the two most recently completed financial years:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisite (\$) ⁽¹⁾	Value of all other compensation (\$)	Total Compensation (\$)
Bernard Fortier, Chief Executive Officer and Director ⁽²⁾	2017	87 180	-	-	-	-	87 180
	2016	-	-	-	-	-	-
André Rancourt, Interim Chief Executive Officer and Director ⁽³⁾	2017	115 000	-	-	-	-	115 000
	2016	60 000	-	-	-	-	60 000
Bernard Lessard, Chief Financial Officer ⁽⁴⁾	2017	26 042	-	-	-	-	26 042
	2016	-	-	-	-	-	-
Sabino di Paola, Chief Financial Officer ⁽⁵⁾	2017	68 750	-	-	-	-	68 750
	2016	43 200	-	-	-	-	43 200
Guy Chamberland, Chief Scientific Officer ⁽⁶⁾	2017	152 917	-	-	-	-	152 917
	2016	60 000	-	-	-	-	60 000
Robert Brouillette, Director	2017	-	-	\$9,000	-	-	9 000
	2016	-	-	-	-	-	-
Benoit Chotard, Director ⁽⁷⁾	2017	-	-	\$6,000	-	-	6 000
	2016	-	-	-	-	-	-
Dr. W.M. (Bill) Cheliak, Director ⁽⁸⁾	2017	-	-	-	-	-	1 500
	2016	-	-	-	-	-	-
Carl Merton, Director ⁽⁹⁾	2017	-	-	-	-	-	1 500
	2016	-	-	-	-	-	-

NOTES:

- (1) For each NEO and each director of the Corporation, the total amount of perquisites, on an aggregate basis, does not exceed: (a) \$15,000, if his total salary for the financial year is \$150,000 or less, (b) 10% of his/her salary for the financial year if such salary is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if his total salary for the financial year is \$500,000 or greater, and as such have not been specifically enumerated in the table above.
- (2) Bernard Fortier was Chief Executive Officer and director of the Corporation for approximately 4 months during the financial year ended November 30, 2017. Mr. Fortier did not receive an annual retainer or any other fees in respect of his role as director of the Corporation or participation in the Board's meetings.
- (3) André Rancourt was Interim Chief Executive Officer of the Corporation for approximately 8 months during the financial year ended November 30, 2017. He was also director of the Corporation for approximately 4 months during the financial year ended November 30, 2017. Mr. Rancourt did not receive an annual retainer or any other fees in respect of her role as director of the Corporation or participation in the Board's meetings.
- (4) Bernard Lessard was Chief Financial Officer for approximately 4 months during the financial year ended November 30, 2017.
- (5) Sabino di Paola was Chief Financial Officer for approximately 8 months during the financial year ended November 30, 2017.
- (6) Mr. Chamberland provides his services through a services agreement with 9315-4466 Québec Inc., a corporation controlled by Mr. Chamberland. Refer to "Employment, Consulting And Management Agreements".
- (7) Benoit Chotard was a director of the Corporation during approximately 7 months during the financial year ended November 30, 2017.
- (8) Dr. W.M. (Bill) Cheliak was a director of the Corporation during approximately 6 months during the financial year ended November 30, 2017.
- (9) Carl Merton was a director of the Corporation during approximately 6 months during the financial year ended November 30, 2017.

Stock Options and other Compensation Securities

The following table sets forth the all compensation securities granted or issued to each director and NEO by the Corporation or one of its subsidiaries in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$) ⁽²⁾	Expiry Date
Bernard Fortier, Chief Executive Officer and Director ⁽³⁾	Stock options	400,000	July 24, 2017	\$0.80	\$0.80	\$0.69	July 24, 2021
		800,000	November 27, 2017	\$0.71	\$0.71	\$0.69	July 24, 2021
André Rancourt, Interim Chief Executive Officer and Director ⁽⁴⁾	Stock options	150,000	February 23, 2017	\$0.70	\$0.84	\$0.69	February 23, 2022
		200,000	November 27, 2017	\$0.71	\$0.71	\$0.69	July 24, 2021
Bernard Lessard, Chief Financial Officer ⁽⁵⁾	Stock options	275,000	November 27, 2017	\$0.71	\$0.71	\$0.69	July 24, 2021
Sabino di Paola, Chief Financial	Stock options	150,000	February 23, 2017	\$0.70	\$0.84	\$0.69	February 23, 2022

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$) ⁽²⁾	Expiry Date
Officer ⁽⁶⁾		200,000	November 27, 2017	\$0.71	\$0.71	\$0.69	July 24, 2018
Guy Chamberland, Chief Scientific Officer ⁽⁷⁾	Stock options	150,000	February 23, 2017	\$0.70	\$0.84	\$0.69	February 23, 2022
		200,000	November 27, 2017	\$0.71	\$0.71	\$0.69	July 24, 2021
Robert Brouillette, Director	Stock options	150,000	February 23, 2017	\$0.70	\$0.84	\$0.69	February 23, 2022
Benoit Chotard, Director ⁽⁸⁾	Stock options	150,000	February 23, 2017	\$0.70	\$0.84	\$0.69	February 23, 2022
Dr. W.M. (Bill) Cheliak, Director ⁽⁹⁾	Stock options	400 000	November 27, 2017	\$0.71	\$0.71	\$0.69	July 24, 2021
Carl Merton, Director ⁽¹⁰⁾	Stock options	400 000	November 27, 2017	\$0.71	\$0.71	\$0.69	July 24, 2021

NOTES:

- (1) Each option entitles the holder to acquire one Common Share upon exercise. Prior to its expiration or earlier termination in accordance with the Plan, each option is exercisable as to the whole or any portion thereof at the time or time stipulated. The period during which options are exercisable is limited to ten (10) years from the date of grant. See "Securities Authorized for Issuance Under Equity Compensation Plans – Stock Option Plan " for more information about the Stock Option Plan and the options granted thereunder.
- (2) Reflects the closing price of the Common Shares on the Exchange as of November 30, 2017.
- (3) Bernard Fortier was Chief Executive Officer and director of the Corporation for approximately 4 months during the financial year ended November 30, 2017. As of November 30, 2017, Mr. Rancourt had direction or control over a total of 1,200,000 options of the Corporation.
- (4) André Rancourt was Interim Chief Executive Officer of the Corporation for approximately 8 months during the financial year ended November 30, 2017. He was also director of the Corporation for approximately 4 months during the financial year ended November 30, 2017. As of November 30, 2017, Mr. Rancourt had direction or control over a total of 1,600,000 options of the Corporation.
- (5) Bernard Lessard was Chief Financial Officer for approximately 4 months during the financial year ended November 30, 2017.
- (6) Sabino di Paola was Chief Financial Officer for approximately 8 months during the financial year ended November 30, 2017. As of November 30, 2017, Mr. di Paola had direction or control over a total of 350,000 options of the Corporation.
- (7) Mr. Chamberland provides his services through a services agreement with 9315-4466 Québec Inc., a corporation controlled by Mr. Chamberland. Refer to "Employment, Consulting And Management Agreements". As of November 30, 2017, Mr. Chamberland had direction or control over a total of 350,000 options of the Corporation.
- (8) Benoit Chotard was a director of the Corporation during approximately 7 months during the financial year ended November 30, 2017. As of November 30, 2017, Mr. Chotard had direction or control over a total of 150,000 options of the Corporation.

- (9) Dr. W.M. (Bill) Cheliak was a director of the Corporation during approximately 6 months during the financial year ended November 30, 2017. As of November 30, 2017, Mr. Cheliak had direction or control over a total of 400,000 options of the Corporation.
- (10) Carl Merton was a director of the Corporation during approximately 6 months during the financial year ended November 30, 2017. As of November 30, 2017, Mr. Merton had direction or control over a total of 400,000 options of the Corporation.

The following table sets forth each exercise by a director or NEO of compensation securities during the most recently completed financial year.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Guy Chamberland, Chief Scientific Officer	Stock options	1,250,000	0.05	February 7, 2017	0.46\$	\$0.41	\$62,500
Benoit Chotard, Director	Stock options	400 000	\$0.18	June 28, 2017	0.82\$	\$0.64	\$72,000

Sale and Purchase Agreement with Guy Chamberland and André Rancourt

The Corporation has entered into a sale and purchase agreement with 9315-4466 Québec Inc., a corporation controlled by Mr. Chamberland, and 9206-8618 Québec Inc, a corporation controlled by André Rancourt, Chairman of the board of directors of the Corporation (the "Contractors"). Under the terms of this agreement, each Contractor agreed to transfer to the Corporation all of the intellectual property developed over the course of the PPP001 Phase 1 clinical trials in consideration for the issuance of certain options and common share purchase warrants.

In consideration for such transfer, Mr. Rancourt's corporation was entitled to the following compensation in connection with the completion of the following milestones:

- 1,250,000 options exercisable at \$0.05 within 5 years upon the submission of a pre-CTA information package;
- 750,000 common share purchase warrants exercisable at \$0.05 within 1 year upon the submission of a pre-CTA information package;
- 2,000,000 common share purchase warrants exercisable at \$0.05 within 2 years upon the commencement of Phase 1 clinical trials of PPP001; and
- 2,000,000 common share purchase warrants exercisable at \$0.05 within 3 years upon the successful completion of Phase 1 clinical trials of PPP001.

Mr. Chamberland's corporation was entitled to the following compensation in connection with the completion of the following milestones:

- 1,250,000 options exercisable at \$0.05 within 5 years upon the submission of a pre-CTA information package upon the sale of intellectual property;
- 750,000 common share purchase warrants exercisable at \$0.05 within 1 year upon the sale of intellectual property;
- 2,000,000 common share purchase warrants exercisable at \$0.05 within 2 years the submission of a pre-CTA information package; and
- 2,000,000 common share purchase warrants exercisable at \$0.05 within 3 years upon the commencement of Phase 1 clinical trials of PPP001.

The transactions contained in the sale and purchase agreement described above have been consummated and this agreement is no longer in force. The Corporation does not consider this agreement to be material.

Employment, Consulting And Management Agreements

Guy Chamberland

Guy Chamberland, the Corporation's current Interim Chief Executive Officer and Chief Scientific Officer, is not an employee of the Corporation. The Corporation has entered into a services agreement with 9315-4466 Québec Inc., a corporation controlled by Mr. Chamberland. Under the terms of this agreement, Mr. Chamberland's corporation is entitled to an annual service fee equal to \$175,000 per year for the 2017-2018 period and \$205,000 for the 2018-2019 period, and is eligible for a cash performance bonus in accordance with Tetra's annual cash bonus program for executives officers and based on the achievement of performance objectives as may be established from time to time by the board of directors of the Corporation upon recommendation of the Compensation Committee. In addition, Mr. Chamberland is entitled to certain entitlements relating to benefit plans. Any options granted to Mr. Chamberland' corporation under Tetra's stock option vest or are deemed exercised and payable upon a termination without cause.

Bernard Fortier

The Corporation has entered into an employment agreement with Mr. Fortier. Under the terms of this agreement, Mr. Fortier is entitled to a base annual salary of \$200,000, and is eligible for a cash performance bonus in accordance with Tetra's annual cash bonus program for executive officers and based on the achievement of performance objectives as may be established from time to time by the board of directors of the Corporation upon recommendation of the Compensation Committee. Mr. Fortier was granted 400,000 fully vested options upon the execution of his employment agreement, exercisable for four years from the date of such agreement, and 600,000 options based on Tetra reaching certain specified performance objectives. If the Corporation terminates his employment without cause, it is obligated to pay Mr. Fortier an amount equal to one week per working month of Mr. Fortier's annual compensation (including any bonus or incentive entitlements). In addition, Mr. Fortier is entitled to certain entitlements relating to benefit plans. Any options granted to Mr. Fortier under Tetra's stock option plan vest or are deemed exercised and payable upon a termination without cause.

Following Mr. Fortier's resignation from his positions as Board member and Chief Executive Officer on April 3, 2018, The Corporation entered into a settlement agreement with Mr. Fortier whereby the Corporation has agreed to pay Mr. Fortier a total severance indemnity amount of \$34,615.38, equivalent to nine (9) weeks of Mr. Fortier's annual gross salary. In addition to the aforementioned amount, the Corporation agreed to pay Mr. Fortier a total bonus for the fiscal years 2017 and 2018 in the amount of \$25,000.00. In accordance with Mr. Fortier's employment agreement, the Corporation also agreed to continue to make, for a period of nine weeks from April 3, 2018, ending on May 30, 2018, premium contributions for group benefit coverage for health care and dental care. The aforementioned payments

and benefits will be incurred by the Corporation during the financial year which will end on November 30, 2018.

Bernard Lessard

The Corporation has entered into an employment agreement with Mr. Lessard. Under the terms of this agreement, Mr. Lessard is entitled to a base annual salary of \$125,000, and is eligible for a cash performance bonus in accordance with Tetra's annual cash bonus program for executives officers and based on the achievement of performance objectives as may be established from time to time by the board of directors of the Corporation. Mr. Lessard was granted 75,000 fully vested options upon the execution of his employment agreement, exercisable for four years from the date of such agreement, and 200,000 options based on Tetra reaching certain specified performance objectives. If the Corporation terminates his employment without cause, it is obligated to pay Mr. Lessard an amount equal to one week per working month of Mr. Lessard's annual compensation (including any bonus or incentive entitlements). In addition, Mr. Lessard is entitled to certain entitlements relating to benefit plans. Any options granted to Mr. Lessard under Tetra's stock option vest or are deemed exercised and payable upon a termination without cause.

Pension Plan Benefits

The Corporation does not have a defined benefits pension plan or a defined contribution pension plan.

Termination and Change of Control Benefits

During the most recently completed financial year there were no employment contracts, agreements, plans, or arrangements for payments to a NEO, at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Corporation, or a change in a NEO's responsibilities.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at November 30, 2017, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of Common Shares available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽¹⁾ (c)
Equity compensation plans approved by security holders	3 350 000	\$0.49	9 025 376
Equity compensation plans not approved by security holders	-	-	-

NOTE:

- (1) The maximum number of Common shares reserved for issuance under the Stock Option Plan at any point and time is 10% of the issued and outstanding Common shares of the Corporation.

Stock Option Plan

The Corporation's Stock Option Plan was adopted by the Board on July 8, 2013 to replace the Corporation's prior rolling stock option plan, which had been initially adopted by the Board on December 21, 2007 and amended on November 17, 2011.

The Board adopted the Stock Option Plan in order to advance the interests of the Corporation by providing directors, officers, employees and consultants with a financial incentive tied to the long-term financial performance of the Corporation and continued service or employment with the Corporation.

The Stock Option Plan was amended on December 29, 2014, and further amended on May 8, 2017 (the "2017 Amendment"). Prior to the 2017 Amendment, the Stock Option Plan was a "fixed" plan. The purpose of the 2017 Amendment was to transition from a "fixed" stock option plan to a "rolling" stock option plan under which the number of Common Shares available for issuance is a replenishment of the number of Common Shares that may be issued upon the exercise of options granted thereunder. The 2017 Amendment was necessary for Tetra to be able to continue implementing its compensation plan and provide Tetra with greater flexibility to award grants under the Stock Option Plan to achieve appropriate equity incentives. The modification of the Stock Option Plan was subject to the approval of the Exchange and required approval by a majority of the votes cast by the holders of common shares, either present in person or represented by proxy at the meeting of shareholders held on July 10, 2017 the ("2017 Meeting"). At the 2017 Meeting, the 2017 Amendment was approved by a majority of the votes cast by shareholders at the 2017 Meeting who were not insiders to whom stock options may be granted under the Stock Option Plan.

Under the Stock Option Plan, the Board may, from time to time by resolution, grant to directors, officers, employees and consultants of the Corporation options to purchase Common shares. The maximum number of Common shares reserved for issuance under the Stock Option Plan at any point and time is 10% of the issued and outstanding Common shares of the Corporation. The maximum period during which an option is exercisable shall be ten (10) years from the date the option is granted. The option price per Common Share is fixed by the Board at the time of granting the option and must not be less than the market price, where "market price" means the closing price of the Common shares on the business day immediately preceding the day on which the option is granted. As of November 30, 2017, the Corporation had 6,600,000 options issued and outstanding.

Reference should be made to the full text of the Stock Option Plan which is attached to this circular as Schedule "A".

Directors' and Officers' Liability Insurance

The Corporation has entered into a directors' and officers' liability insurance policy for the benefit of the directors and officers of the Corporation and its subsidiary. The annual limit for all claims under the policy is \$5 million, subject to a per claim deductible of \$25,000. The annual premium payable by the Corporation under the policy is \$15,660. The Corporation's current coverage under the policy continues until October 19, 2018.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND OTHERS

During the fiscal year ended November 30, 2017, and as at the date of this Circular, none of the executive officers, directors, employees (or previous executive officers, directors, or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of an executive officer, director or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation or for any other reason pursuant to a loan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described below, the management of the Corporation is not aware of any material interest, direct or indirect, that any director, proposed director, officer, shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation.

On January 2, 2018, the Corporation entered into a share purchase agreement (the "PhytoPain Purchase Agreement") with entities controlled by André Rancourt, Executive Chairman of the Board, and Guy Chamberland, Chief Scientific Officer of the Corporation (Mr. Chamberland is now also acting as Interim Chief Executive Officer of the Corporation) (collectively, the "Sellers") whereby Tetra agreed to acquire (the "PhytoPain Transaction") from the Sellers all of the issued and outstanding common shares of PhytoPain Pharma Inc. ("PhytoPain") then held by the Sellers (representing 20% of the issued and outstanding shares of PhytoPain) for an aggregate purchase price of \$12,425,089 composed of:

- (a) a cash payment of \$248,000;
- (b) promissory notes in the principal aggregate amount of \$2,236,696 payable to the Sellers in accordance with the terms of the PhytoPain Purchase Agreement (the "Promissory Notes");
- (c) the issuance of 2,485,218 Common Shares at the closing of the PhytoPain Transaction (the "Consideration Shares"); and
- (d) the issuance of 7,455,653 Common Shares to an escrow agent designated by the parties, to be held in escrow and released in accordance with a specified milestone schedule based on corporate objectives (the "Escrow Shares").

The PhytoPain Transaction constituted a "related party transaction" within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions. Upon completion of the PhytoPain Transaction, PhytoPain became a wholly-owned subsidiary of Tetra. The PhytoPain Transaction was subject to customary closing conditions including the receipt of approval from the Exchange. The Corporation completed the PhytoPain Transaction on March 19, 2018, at which point (i) the Consideration Shares were issued to the Sellers, and (ii) the Escrow Shares were issued to the escrow agent, and will be released to the Sellers in accordance with specified milestones set out in an escrow agreement entered into between the Corporation and the Sellers.

A complete and detailed description of the PhytoPain Transaction is contained in the material change report of the Corporation dated March 29, 2018, a copy of which is available on SEDAR (www.sedar.com) under the Corporation's profile.

MANAGEMENT CONTRACTS

The management functions of the Corporation are substantially performed by directors or senior officers of the Corporation and not to any substantial degree by any other person with whom the Corporation has contracted.

Guy Chamberland, the Corporation's current Interim Chief Executive Officer and Chief Scientific Officer, is not an employee of the Corporation. The Corporation has entered into a services agreement with 9315-4466 Québec Inc., a corporation controlled by Mr. Chamberland. Refer to "Employment, Consulting And Management Agreements".

CORPORATE GOVERNANCE PRACTICES

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

Board of Directors

Directors

The Board is currently comprised of 5 directors, 4 of whom are independent. Independence is determined in accordance with National Instrument 52-110 – Audit Committees (“NI 52-110”). Mr. André Rancourt, is not considered to be independent as a result of his previous position as CEO of the Corporation within the last 3 years. The independent directors of the Corporation are, Dr. W.M. (Bill) Cheliak, Benoit Chotard, Gregory Drohan and Carl Merton.

Executive Chairman of the Board

Mr. Rancourt, serves as Executive Chairman of the Board, and is not considered independent as a result of his previous position as CEO of the Corporation within the last 3 years. The primary functions of the Executive Chairman are to facilitate the operations and deliberations of the Board and the satisfaction of the Board's responsibilities under its mandate. The chairs' key responsibilities include duties relating to setting board meeting agendas, chairing board and shareholder meetings, director development, providing in-put on potential director candidates and communicating with shareholders and regulators.

Mandate of the Board

The Board is responsible for supervising the management of Tetra's business and affairs. The Board's principal responsibilities relate to the stewardship of management and are summarized below:

- Strategic planning - the Board reviews and approves Tetra's strategic planning process and annual strategic plan in light of Management's assessment of emerging trends, the competitive environment, risk issues and significant business practices and products;
- Risk management - the Board reviews management reports on material risks associated with the Corporation's businesses and operations, the implementation by Management of systems to manage these risks and material deficiencies in the operation of these systems;
- Financial information - the Board with assistance from the Audit Committee reviews Tetra's internal controls relating to financial information, management reports on material deficiencies relating to those controls and the integrity of Tetra's financial information and systems;
- Communications - the Board reviews Tetra's overall communications strategy, measures for receiving shareholder feedback and compliance with Tetra's disclosure policy;
- Board Committees - the Board establishes committees and their mandates and requires committee chairs to present a report to the Board on material matters considered by the committee at the next Board meeting;

The mandate of the Board is reviewed and considered by the Board for approval each year.

Directorships

The board has not adopted a policy limiting the number of directors who sit on the board of another public company but believes disclosure of common board memberships is important. The following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name of Director	Issuer
Dr. W.M. (Bill) Cheliak	Solarvest Bioenergy Inc.
Benoit Chotard	Orletto Capital Inc Orletto Capital II Inc.

Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However, the directors of the Corporation are encouraged to attend, at the Corporation's expense, any seminar given by the Exchange or the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public company. Furthermore, the directors are given access to the Corporation's legal advisors for any questions they may have relating to such responsibilities.

Ethical Business Conduct

The Board does not have a written code of ethics and conduct for the directors and officers. All of the directors are required to act and carry out their duties honestly and in good faith with a view to the best interest of the Corporation. The Corporation requests that all its directors act according to the laws and rules where they are governed. Directors with an interest in a material transaction are required to declare their interest and abstain from voting on such transactions. All Board members have experience in spheres ranging from finance to research and development in order to ensure a culture of ethical business conduct.

Nomination of Directors

The candidates to the Board are recommended by the Executive Chairman and chosen by the Board based on the Corporation's needs.

Compensation

The steps taken by the Corporation to determine compensation for the directors and CEO are described under the heading "Compensation of Executive Officers and Directors".

Other Board Committees

There are currently no committees other than the Audit Committee.

Assessments

To date, no formal evaluation process has been put in place to evaluate the effectiveness of the directors, the descriptions of the positions held or the competence and qualifications that each director is required to bring to the Board. This task is the responsibility of the Board, who punctually reviews its effectiveness as well as its directors' roles, and its members are encouraged to give feedback regarding the effectiveness of the Board as a whole, its practices and individual directors will, when necessary, make

recommendations to the Board. Being a venture issuer with limited administration resources, the Board works closely with management and, accordingly, is in a position to assess individual director's performance on an ongoing basis. The Board continuously assesses the existing strengths of the Board as well as the changing needs of the Corporation, to determine which individuals possess the competencies and skills it should seek in new Board members to add value to the Corporation.

AUDIT COMMITTEE

Charter and Composition of the Audit Committee

The text of the audit committee's charter is attached hereto as Schedule "B".

Composition of the Audit Committee

The current members of the Corporation's audit committee are Carl Merton (Chair of the Audit Committee), Dr. W.M. Cheliak and André Rancourt. All such members are financially literate and independent members of the audit committee as such terms are defined in NI 52-110, except for André Rancourt who is neither independent nor financially literate within the meaning of NI 52-110.

Education and Relevant Experience

The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is set out below:

Mr Carl Merton

Mr. Merton has over 20 years of financial and business experience, including over 10 years experience as a CFO for public companies involved in the capital markets. Beginning with 12 years combined with Ernst & Young and KPMG, he transitioned from the audit stream into financial advisory work, as a Business Valuator, Forensic Accountant and Corporate Finance functions. After leaving KPMG, Mr. Merton joined Atlas Tube Inc., as Vice-President, Special Projects. After assisting in the sale of Atlas Tube, Mr. Merton became the CFO of Reko International Group Inc. In December 2014, Mr. Merton was elected by shareholders as a member of the inaugural board of directors of Aphria Inc. ("Aphria"). Approximately one year later, Mr. Merton resigned as a member of the Board and joined Aphria as its CFO. In his role as CFO, Mr. Merton is responsible for communication with all stakeholders and is a member of the executive management team responsible for the strategic direction of Aphria, as well as leading all acquisition discussions, budgeting, financing, financial reporting and internal controls. Mr. Merton is a Chartered Professional Accountant, a Chartered Accountant and is a Fellow of the Canadian Institute of Chartered Business Valuators (the "CICBV"). He holds a B.Comm. Hon. in Sports Administration from Laurentian University, and has served as a past Chair of both the CICBV and the International Association of Professional Business Valuators. Mr. Merton is currently a member of the Board of Directors and Chair of the Audit Committee of Motor City Community Credit Union.

Dr. W.M. (Bill) Cheliak

Dr. Cheliak is CEO of Panag Pharma Inc., a Canadian based bio-technology company focused on the development of novel cannabinoid-based formulations for the treatment of pain and inflammation. He is also co-founder and advisor to Chelation Partners, a private company developing a technology to enhance the efficacy of antibiotics. Dr. Cheliak has over 20 years of experience as an entrepreneur having helped establish companies in a wide variety of life science fields, including vaccines, human genetics, oncology, neurology and anti-infective drug development and CRO services. He brings extensive deal making experience with the pharmaceutical industry. He currently serves as a Director for Solarvest (SVS). Dr. Cheliak is Vice Chair of the Government of Canada's Networks Centres Excellence (NCE) Standing Selection Committee and Chair of the NCE Monitoring Committee.

André Rancourt

André Rancourt is highly experienced in management, start-up, and commercial strategies for human products. He is also a consultant on several commercial strategy committees including FIA and IRZC. He has tremendous practical experience that provided him with expertise in many fields ranging from metals to the complex area of human and animal natural health products. Over the last ten years, he worked as a consultant to re-organize the operations of companies on behalf of several venture capital investment funds. He has an important network of contacts in the human and animal commercial market in multiple countries. He studied at the Séminaire de Sherbrooke from 1969 to 1971 and subsequently the University of Sherbrooke (Physical Education). He also successfully completed training in Marketing Warfare. He is often asked by investors to act as a consultant/guide to Presidents of companies.

Pre-Approval Policies and Procedures

The audit committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee's charter attached hereto as Schedule "B".

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) fiscal years are as follows:

Financial Year Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
November 30, 2017	61,200	Nil	-	-
November 30, 2016	26,820	Nil	-	Nil

OTHER BUSINESS

Management is not aware of any amendments or variations to matters identified in the notice of meeting or other matters that may properly come before the Meeting, other than those mentioned in said notice.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR (www.sedar.com). Additional financial information is provided in the comparative consolidated financial statements of the Corporation and in the related management's discussion and analysis of the financial condition for the fiscal year ended November 30, 2017. Copies of this circular and the documents mentioned hereinabove are available on SEDAR (www.sedar.com) under the Corporation's profile.

Additional copies are also available by contacting the Corporation at its administrative office:

3005 Blvd Matte, suite 300A
 Brossard (QC) J4Y 2P4
 Telephone: (450) 907- 4007
 Facsimile: (450) 907- 4008
 Email: [bernard.lessard @tetrabiopharma.com](mailto:bernard.lessard@tetrabiopharma.com)

The Corporation may request the payment of reasonable fees if the requesting party is not a Shareholder.

APPROVAL OF INFORMATION CIRCULAR

The contents and the sending of the Circular have been approved by the directors of the Corporation.

Ottawa, May 22, 2018

By order of the Board of Directors

(s) "André Rancourt"

André Rancourt

Executive Chairman of the Board of Directors

SCHEDULE "A"**TETRA BIO-PHARMA INC.
STOCK OPTION PLAN
(as amended on December 29, 2014 and May 8, 2017)****SECTION 1 - PURPOSE OF THE PLAN**

1.1 The purpose of this Stock Option Plan (the "**Plan**") is to provide directors, officers and employees (as defined below) of, and consultants (as defined below) to, Tetra Bio-Pharma Inc. and, if applicable, its subsidiaries (collectively, the "**Corporation**") with a proprietary interest through the granting of options to purchase common shares (the "**Shares**") of the Corporation, subject to certain conditions as hereinafter set forth, for the following purposes:

- 1.1.1 to increase the interest in the Corporation's welfare of those directors, officers, employees and consultants who share primary responsibility for the management, growth and protection of the business of the Corporation;
- 1.1.2 to furnish an incentive to such directors, officers, employees and consultants to continue their services for the Corporation; and
- 1.1.3 to provide a means through which the Corporation may attract able persons to enter its employment.

1.2 For the purposes of the Plan, the words and phrases listed below shall have the following meaning:

"**consultant**" means, in relation to the Corporation, an individual (other than an employee or a director of the Corporation) or Corporation that:

- (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to an affiliate of the Corporation, other than services provided in relation to a "distribution" as defined under applicable securities laws;
- (b) provides the services under a written contract between the Corporation or the affiliate and the individual or the Corporation, as the case may be;
- (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an affiliate of the Corporation; and
- (d) has a relationship with the Corporation or an affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation.

"**consultant Corporation**" means a consultant that is a Corporation.

"**employee**" means:

- (a) an individual who is considered an employee of the Corporation or its subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source);
- (b) an individual who works full-time for the Corporation or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction

by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or

- (c) an individual who works for the Corporation or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source.

"Exchange" means the Canadian Securities Exchange, the TSX Venture Exchange or such other organized market upon which the common shares of the Corporation may be admitted for trading from time to time.

"investor relations activities" means any activities, by or on behalf of a Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation
 - (i) to promote the sale of products or services of the Corporation, or
 - (ii) to raise public awareness of the Corporation

that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;

- (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws;
 - (ii) policies of the Exchange or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Corporation;
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchaser of it if:
 - (i) the communication is only through the newspaper, magazine or publication, and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by the Exchange.

"management Corporation employee" means an individual employed by a person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in investor relations activities.

SECTION 2 - ADMINISTRATION OF THE PLAN

- 2.1 The Plan shall be administered by the Board of Directors of the Corporation (the "**Board**").

- 2.2 The Board may, from time-to-time, adopt, amend and rescind rules and regulations for carrying out the provisions and purposes of the Plan, subject to regulatory approval. The interpretation, construction and application of the Plan and any provisions thereof made by the Board shall be final and conclusive. No director shall be liable for any action taken or for any determination made in good faith in the administration, interpretation, construction or application of the Plan.

SECTION 3 - GRANTING OF OPTIONS

- 3.1 The Board of Directors of the Corporation may from time-to-time by resolution grant options to purchase Shares to directors, officers and/or employees of, and consultants to, the Corporation, provided that the total number of Shares to be issued under this Plan shall not exceed the number provided for in section 4 hereof.
- 3.2 Options may be granted by the Corporation only pursuant to resolutions of the Board.
- 3.3 Any option granted under this Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such option upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities commission, stock exchange or any governmental or regulatory authority or body, is necessary as a condition of, or in connection with, the grant or exercise of such option or the issuance or purchase of Shares hereunder, such option may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board.
- 3.4 In the event that options are granted to employees, consultants or management Corporation employees, the Corporation shall represent that the optionee is a *bona fide* employee, consultant or management Corporation employee, as the case may be, of the Corporation.

SECTION 4 - SHARES SUBJECT TO THE PLAN

- 4.1 The maximum aggregate number of Shares that may be reserved for issuance under this Plan at any point in time is 10% of the issued and outstanding Shares at the time Shares are reserved for issuance as a result of the grant of an Option, less any Shares reserved for issuance under any share options granted under any other security-based compensation arrangements of the Corporation other than this Plan.
- 4.2 The aggregate number of Shares reserved for issuance to any one optionee, whether under this Plan or any other stock option plan, or as incentive stock options, shall not exceed, in any twelve (12) month period, five percent (5%) of the number of issued and outstanding Shares of the Corporation at the date the option is granted.
- 4.3 The aggregate number of Shares reserved for issuance to any one consultant, whether under this Plan or any other stock option plan, or as incentive stock options, shall not exceed, in any twelve (12) month period, two percent (2%) of the number of issued and outstanding Shares of the Corporation at the time the option is granted to said consultant under this Plan.
- 4.4 The aggregate number of Shares reserved for issuance to persons employed to provide investor relations activities, whether under this Plan or any other stock option plan, or as incentive stock options, shall not exceed, in any twelve (12) month period, two percent (2%) of the number of issued and outstanding Shares of the Corporation at the time of any grant of an option under this Plan to a person employed to provide investor relations activities.
- 4.5 Shares in respect of which options are not exercised due to the expiration, termination or lapse of such options, shall be available for options to be granted thereafter pursuant to the provisions of the Plan.

SECTION 5 - OPTION PRICE

- 5.1 The option price per Share which is the subject of any option shall be fixed by the Board at the time of granting the option. The option price for the Shares shall not be less than the Market Price of the Shares, as defined in section 5.2 hereof.
- 5.2 The term "**Market Price**" shall mean the closing price of the Shares on the Exchange on the business day immediately preceding the day on which the option is granted. In the event that the Shares did not trade on the Exchange on the said day, "Market Price" shall mean the last closing price of the shares on the Exchange prior to the day on which the option is granted. In the event that the Shares are not listed or posted for trading on the Exchange, the "Market Price" shall be the fair market value of the Shares as determined by the Board in its discretion.
- 5.3 In the event that the Corporation proposes to reduce the exercise price of an option held by an insider of the Corporation (as such term is defined under Exchange policies), such reduction shall be subject to the approval of the disinterested shareholders of the Corporation.

SECTION 6 - CONDITIONS GOVERNING OPTIONS

- 6.1 Each option shall be subject to the following conditions:
- 6.1.1 *Employment*
- The granting of an option to an officer or employee shall not impose upon the Corporation any obligation to retain the optionee in its employ.
- 6.1.2 *Option Term*
- The maximum period during which an option is exercisable shall be ten (10) years from the date the option is granted, after which the option shall lapse.
- 6.1.3 *Period for Exercise of Options*
- Except as may be otherwise decided by the Board, no option may be exercised during the six (6) months following the grant thereof. Thereafter, the option may be exercised in whole or in part: (i) in respect of one-third of the Shares under option commencing six (6) months following the grant thereof; (ii) in respect of one-third of the Shares under option commencing twelve (12) months following the grant thereof; and (iii) in respect of one-third of the Shares under option commencing eighteen (18) months following the grant thereof. Any option not exercised during the period when it may initially be exercised may be exercised during a subsequent period and shall not lapse by reason only of non-exercise during the initial period.
- 6.1.4 *Non-assignability of Option Rights*
- Each option granted hereunder is personal to the optionee and shall not be assignable or transferable by the optionee, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased optionee. No option granted hereunder shall be pledged, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.
- 6.1.5 *Other Terms*
- The Board may at the time of granting options hereunder provide for additional terms and conditions which are not inconsistent with section 6 hereof.

6.1.6 *Effect of Termination of Employment or Office or Death*

6.1.6.1 Upon an optionee's employment or consulting agreement with the Corporation being terminated for cause, any option not exercised prior to the date of termination shall immediately lapse and become null and void.

6.1.6.2 If an optionee becomes, in the determination of the Board of Directors, permanently disabled while employed by the Corporation or while a director or management Corporation employee thereof or a consultant thereto, any option or unexercised part thereof granted to such optionee may be exercised by the optionee only for that number of shares which he was entitled to acquire under the option at the time of the occurrence of his permanent disability. Such option shall be exercisable within one (1) year after the occurrence of the optionee's permanent disability or prior to the expiration of the term of the option, whichever occurs earlier, subject to the condition that if the optionee was engaged in investor relations activities for the Corporation, such option shall be exercisable within thirty (30) days after the occurrence of such permanent disability or prior to the expiration of the term of the option, whichever occurs earlier.

6.1.6.3 If an optionee dies while employed by the Corporation or while a director or management Corporation employee thereof or a consultant thereto, any option or unexercised part thereof granted to such optionee may be exercised by the person to whom the option is transferred by will or the laws of succession only for that number of shares which he was entitled to acquire under the option at the time of his death. Such option shall be exercisable within one (1) year after the optionee's death or prior to the expiration of the term of the option, whichever occurs earlier.

6.1.6.4 Upon an optionee's employment, office or directorship or consulting services with the Corporation terminating or ending otherwise than by reason of death, permanent disability or termination for cause, any option or unexercised part thereof granted to such optionee may be exercised by him only for that number of shares which he was entitled to acquire under the option at such time. Such option shall be exercisable within one (1) year after such date or prior to the expiration of the term of the option, whichever occurs earlier, subject to the condition that if the optionee was engaged in investor relations activities for the Corporation, such option shall be exercisable within thirty (30) days after such date or prior to the expiration of the term of the option, whichever occurs earlier.

6.1.7 **Rights as a Shareholder.** The optionee (or his personal representatives or legatees) shall have no rights whatsoever as a shareholder in respect of any Shares covered by his option until the date of issuance of a share certificate to him (or his personal representatives or legatees) for such Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued.

6.1.8 **Method of Exercise.** Subject to the provisions of this Plan, an option granted under this Plan shall be exercisable by the optionee (or his personal representatives or legatees) giving notice in writing to the Secretary of the Corporation at its head office, which notice shall specify the number of Shares in respect of which the option is being exercised and shall be accompanied by payment in full of the purchase price, by certified cheque, for the number of shares specified. Upon such exercise of the option, the Corporation shall forthwith cause the transfer agent and registrar of the Shares of the Corporation to deliver to the optionee (or his personal representatives or legatees) a certificate in the name of the optionee representing in the aggregate such number of Shares as the optionee (or

his personal representatives or legatees) shall have then paid for and as are specified in such written notice of exercise of option.

- 6.2 Options may be evidenced by a share option agreement, instrument or certificate in such form not inconsistent with this Plan as the Board may from time to time determine, provided that the substance of section 6.1 be included therein.

SECTION 7 - ADJUSTMENT TO SHARES SUBJECT TO THE OPTION

- 7.1 In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an option to any optionee and prior to the expiration of the term of such option, the Corporation shall deliver to such optionee at the time of any subsequent exercise of his option in accordance with the terms hereof in lieu of the number of Shares to which he was theretofore entitled upon such exercise, but for the same aggregate consideration payable therefor, such number of Shares as such optionee would have held as a result of such subdivision if on the record date thereof the optionee had been the registered holder of the number of Shares to which he was theretofore entitled upon such exercise.
- 7.2 In the event of any consolidation of the Shares into a lesser number of Shares at any time after the grant of an option to any optionee and prior to the expiration of the term of such option, the Corporation shall deliver to such optionee at the time of any subsequent exercise of his option in accordance with the terms hereof in lieu of the number of Shares to which he was theretofore entitled upon such exercise, but for the same aggregate consideration payable therefor, such number of Shares as such optionee would have held as a result of such consolidation if on the record date thereof the optionee had been the registered holder of the number of Shares to which he was theretofore entitled upon such exercise.
- 7.3 If at any time after the grant of an option to any optionee and prior to the expiration of the term of such option, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in paragraphs 7.1 and 7.2 or, subject to the provisions of paragraph 8.2.1 hereof, the Corporation shall consolidate, merge or amalgamate with or into another Corporation (the Corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the "Successor Corporation"), the optionee shall be entitled to receive upon the subsequent exercise of his option in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class and/or other securities of the Corporation or the Successor Corporation (as the case may be) and/or other consideration from the Corporation or the Successor Corporation (as the case may be) that the optionee would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of paragraph 8.2.1 hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, he had been the registered holder of the number of Shares to which he was immediately theretofore entitled upon such exercise.

SECTION 8 - AMENDMENT OR DISCONTINUANCE OF THE PLAN

- 8.1 Subject to obtaining the necessary regulatory approvals, the Board may amend or discontinue this Plan at any time, provided, however, that no such amendment may adversely affect any option rights previously granted to an optionee under this Plan without the consent of the optionee, except to the extent required by law.
- 8.2 Notwithstanding anything contained to the contrary in this Plan or in any resolution of the Board in the implementation thereof:

- 8.2.1 in the event the Corporation proposes to amalgamate, merge or consolidate with or into any other Corporation (other than with a wholly-owned subsidiary of the Corporation) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the Shares of the Corporation or any part thereof shall be made to all holders of Shares of the Corporation, the Corporation shall have the right, upon written notice thereof to each optionee holding options under this Plan, to permit the exercise of all such options within the next 20-day period following the date of such notice and to determine that upon the expiration of such 20-day period, all rights of optionees to such options or to exercise same (to the extent not theretofore exercised) shall terminate and cease to have further force or effect whatsoever;
- 8.2.2 the Board may by resolution, but subject to applicable regulatory requirements and the rules of any stock exchange on which the Shares are then listed, advance the date on which any option may be exercised in a manner to be set forth in such resolution. The Board shall not, in the event of any such advancement, be under any obligation to advance the date on or by which any option may be exercised by any other optionee; and
- 8.2.3 the Board may by resolution, but subject to applicable regulatory requirements and the rules of any stock exchange on which the Shares are then listed, decide that any of the provisions hereof concerning the termination of an option shall not apply for any reason acceptable to the Board.

SECTION 9 - EFFECTIVE DATE OF PLAN

- 9.1 This Plan was adopted by the Board of Tetra Bio-Pharma Inc. (formerly-known as GrowPros Cannabis Ventures Inc.) on June 11, 2013, as amended on December 29, 2014 and as further amended on May 8, 2017.

SCHEDULE “B”

CHARTER OF THE AUDIT COMMITTEE

Composition and Independence, Financial Literacy and Authority

The Audit Committee (the “Committee”) of Tetra Bio-Pharma Inc. (the “Corporation”) shall be composed of members of the Board of Directors (the “Board”) in such number as is determined by the Board with regard to applicable laws, rules and regulations and any other relevant consideration, subject to a minimum requirement of three directors.

The majority of the members of the Committee shall not be employees, Control Persons or officers of the Corporation or any of its Associates or Affiliates (as such terms are defined in the policies of the Exchange) and for greater certainty, the Chairman of the Board of Directors shall not be deemed to be an officer of the Corporation for the purpose of this Charter if that is his sole office or position with the Corporation.

The members of the Committee shall be appointed by the Board and shall serve until their successors are duly appointed. A Chair will be appointed by the Board, failing which the members of the Committee may designate a Chair by majority vote. The Committee may from time to time delegate to its Chair certain powers or responsibilities that the Committee itself may have hereunder.

In fulfilling the responsibilities set out in this Charter, the Committee has the authority to conduct any investigation and access any officer, employee or agent of the Corporation appropriate to fulfilling its responsibilities, including the external auditors of the Corporation. The Committee may obtain advice and assistance from outside legal, accounting or other advisors as the Committee deems necessary to carry out its duties and may retain and determine the compensation to be paid by the Corporation for such independent counsel or outside advisor in its sole discretion without seeking Board approval.

Committee members will enhance their familiarity with financial, accounting and other areas relevant to their responsibilities by participating in educational sessions or other opportunities for development.

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Committee should meet with the external auditors and management quarterly to review the Corporation’s financial statements consistent with the section entitled “Financial Reporting” below. The Committee should dedicate a portion of each of its regularly scheduled quarterly meetings to meeting separately with each of the Chief Financial Officer and the external auditors and to meeting on its own without other members of management or the external auditors.

Specific Duties and Responsibilities

Financial Reporting

The Committee shall be responsible for the oversight of reliable, accurate and clear financial reporting to shareholders, including reviewing the Corporation’s annual and interim financial statements and management’s discussion and analysis, prior to approval by the Board and release to the public, and reviewing, as appropriate, releases to the public of significant material non-public financial information of the Corporation. Such review of the financial reports of the Corporation shall include, where appropriate but at least annually discussion with management and the external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments.

The Committee shall review earnings press releases and satisfy itself that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements, other than the public disclosure in the Corporation’s annual

and interim financial statements and MD&A, and must periodically assess the adequacy of those procedures.

Financial Reporting Process

The Committee shall support the Board in its oversight of the financial reporting process of the Corporation including:

- working with management and the external auditors to review the integrity of the Corporation's financial reporting processes;
- reviewing the process relating to and the certifications of the Chief Executive Officer and the Chief Financial Officers on the integrity of the Corporation's quarterly and annual consolidated financial statements;
- considering the key accounting policies of the Corporation and key estimates and judgments of management and discussing such matters with management and/or the external auditors;
- keeping abreast of trends and best practices in financial reporting;
- reviewing with the external auditors and management significant accounting principles and policies and all critical accounting policies and practices used and any significant audit adjustments made;
- considering and approving, if appropriate, major changes to the Corporation's accounting and financial reporting and policies as suggested by the external auditors or management; and
- establishing regular systems of reporting to the Committee by each of management and the external auditors regarding any significant judgments made in management's preparation of the financial statements and any significant difficulties encountered during the course of the review or audit, including any restrictions on the scope of work or access to required information.

The Audit Committee's Role in the Financial Reporting Process

The external auditors are responsible for planning and carrying out, in accordance with professional standards, an audit of the Corporation's annual financial statements and, if approved by the Board, reviews of the Corporation's quarterly financial information. Management of the Corporation is responsible for the preparation, presentation and integrity of the Corporation's financial statements and for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations. The Audit Committee oversees the financial reporting process at the Corporation and receives quarterly reporting regarding the process undertaken by management and, if applicable, the results of the external auditors' review. It is not the duty of the Audit Committee to plan or conduct audits, or to determine that the Corporation's financial statements are complete, accurate and in accordance with GAAP.

Internal Controls

The Committee shall monitor the internal controls of the Corporation to ensure the necessary checks and balances are in place, including:

- requiring management to implement and maintain appropriate systems of internal controls in accordance with applicable laws, regulations and guidance;

- meeting with management to assess the adequacy and effectiveness of the Corporation's internal control systems; and
- reviewing reporting by the Corporation to its shareholders regarding internal controls.

Oversight of External Auditors

The Committee shall review and evaluate the performance, qualifications and independence of the external auditors and annually make recommendations to the Board and shareholders regarding the nomination of the external auditors for appointment by the shareholders. The Committee shall also make recommendations regarding remuneration and, if appropriate, termination of the external auditors. The external auditors shall be accountable to the Committee and the entire Board, as representatives of the shareholders, for such external auditors' review of the financial statements and controls of the Corporation. In addition, the Committee shall:

- review the external auditors' annual audit plans and engagement letters;
- review the external auditors' processes for assuring the quality of their audit services including any matters that may affect the audit firms' ability to serve as the external auditor of the Corporation;
- discuss those matters that are required to be communicated by external auditors to the Committee in accordance with the standards established by the Canadian Institute of Chartered Accountants, as such matters are applicable to the Corporation from time to time;
- review with the external auditors any issues that may be brought forward by them, including any audit problems or difficulties, such as restrictions on their audit activities or access to requested information, and management's responses;
- review with the external auditors their concerns, if any, about the quality, not just acceptability, of the Corporation's accounting principles as applied in its financial reporting; and
- provide a forum for management and the external auditors to raise issues regarding their relationship and interaction. To the extent disagreements regarding financial reporting are not resolved, be responsible for the resolution of such disagreements between management and the external auditors.

Independence of External Auditors

The Committee shall oversee and assess the independence of the external auditors through various mechanisms, including:

- reviewing and approving (or recommending to the Board for approval) the audit fees and other significant compensation to be paid to the external auditors and reviewing and pre-approving all non-audit services to be performed by the external auditors;
- receiving from the external auditors, on a periodic basis, a formal written statement delineating all relationships between the external auditors and the Corporation consistent with the rules of professional conduct of the Canadian provincial chartered accountants institutes or other regulatory bodies, as applicable;
- reviewing and discussing with the Board, annually and otherwise as necessary, and the external auditors, any relationships or services between the external auditors and the Corporation or any factors that may impact the objectivity and independence of the external auditors;

- reviewing and approving policies and procedures regarding the employment of partners, employees and former partners and employees of the present or former external auditors of the Corporation as required by applicable laws; and
- reviewing and monitoring other policies put in place to facilitate auditor independence.

Compliance

The Committee shall oversee the establishment and maintenance of processes that ensure the Corporation is in compliance with the laws and regulations that apply to it as well as its own policies, including:

- reviewing with management the Corporation's compliance with applicable regulatory requirements and applicable securities legislation;
- establishing procedures in accordance with regulatory requirements for the receipt, retention and treatment of complaints received by the Corporation on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters;
- reviewing professional pronouncements and changes to key regulatory requirements relating to accounting rules to the extent it applies to the financial reporting process of the Corporation; and
- reviewing with the Corporation's legal counsel any legal matter arising from litigation, asserted claims or regulatory noncompliance that could have a material impact on the Corporation's financial condition.

General

The Committee shall have the following additional general duties and responsibilities:

- performing such other functions and tasks as may be mandated by regulatory requirements applicable to audit committees or delegated by the Board;
- reviewing and assessing the adequacy of this Charter at least annually and submitting this Charter to the Board for approval upon amendment;
- maintaining minutes or other records of meetings and activities of the Committee; and
- reporting to the Board following each meeting of the Committee.