REPLICEL LIFE SCIENCES INC.

Suite 900 – 570 Granville Street
Vancouver, BC V6C 3P1
Telephone: (604) 248-8730 Fax: (604) 248-8690

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 30, 2024

AND

INFORMATION CIRCULAR

November 27, 2024

THE BOARD OF DIRECTORS OF REPLICEL LIFE SCIENCES INC. RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE RESOLUTIONS

These materials are important and require your immediate attention. They require shareholders of RepliCel Life Sciences Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisor.

November 27, 2024

Dear Shareholder:

The Board of Directors (the "**Board**") of RepliCel Life Sciences Inc. ("**RepliCel**" or the "**Company**") cordially invites you to attend the annual general and special meeting (the "**Meeting**") of holders (the "**Shareholders**") of the Company's issued and outstanding common shares (the "**Common Shares**") to be held at the offices of Clark Wilson LLP, Suite 900, 885 West Georgia Street, Vancouver, BC V6C 3H1 and via ZOOM, at 2:00 p.m. (Pacific time) on December 30, 2024.

Inside this document, you will find important information and instructions about how to participate in the Meeting.

On August 6, 2024, RepliCel entered into an asset purchase and license agreement (as may be subsequently amended, supplemented or otherwise modified, the "**Purchase Agreement**") with 1456390 B.C. Ltd. as the acquiror (the "**Acquiror**"), which sets out, among other things, the terms and conditions upon which RepliCel is proposing to sell all its assets related to its RCH-01, the NBDS platform (RCT and RCS included), RCI-01 and DermaPrecise™ RCI-02 products (the "**Products**"), and license the associated patent rights, to the Acquiror for a future 8% royalty on the commercialization and sale of the Products (the "**Royalty**"). RepliCel will also receive 75% of any cash consideration received by the Acquiror if it sells or transfers such assets or license ("**Sale Fee**"). Both the Royalty and the Sale Fee are subject to an expected maximum total cash consideration of US$178,114,732. The expected maximum consideration payable to RepliCel represents US$2.00 per Common Share on a fully diluted basis. Pursuant to the Purchase Agreement, once the Acquiror commercializes the Products and begins earning revenue from sales or licensing of the Products, it will commence paying an annual Royalty to RepliCel. RepliCel has agreed that, upon receipt of Royalty payments from the Acquiror, RepliCel will declare a dividend on its Common Shares in an amount equal to RepliCel's earnings after tax, less amounts reserved for issuance to the holders of RepliCel options and warrants. The Acquiror has agreed to fund RepliCel's expenses on a secured loan basis until the total Royalties paid to RepliCel by the Acquiror reach US$20,000,000, after which such loans become repayable in full before any further dividends may be declared.

Such sale by RepliCel will constitute the disposition of all or substantially all of RepliCel's undertaking under the *Business Corporations Act* (British Columbia) (the "**Transaction**") and accordingly requires approval of the Shareholders under such statute. The proposed Transaction is the result of the adverse arbitration decision involving the Collaboration and Technology Transfer Agreement with Shiseido Co. Ltd. and the Board's subsequent review of strategic alternatives, as further described in the management information circular accompanying this letter (the "**Circular**") in the section entitled "*Business of the Meeting – Sale of All or Substantially All of the Company's Assets*".

At the Meeting, in addition to the usual annual meeting matters for approval, you will be asked to consider and approve: (i) a special resolution authorizing the Transaction (the "**Disposition Resolution**"); and (ii) subject to the completion of the Transaction, the voluntary delisting of the Common Shares (the "**Voluntary Delisting**") from the TSX Venture Exchange ("**TSXV**") (the "**Delisting Resolution**").

The Board and the special committee of independent directors of the Company (the "**Special Committee**") considered and relied upon a number of factors in making their respective conclusions and recommendations regarding the Transaction, including, among others, the following:

(a) ***Future Opportunity to Retain Exposure***. The Company retains the ability to benefit from the future commercialization of the Products through the Royalty. In addition, if the Acquiror sells any of the Products the Company will receive 75% of such sale proceeds (the "**Sale Fee**"). The Royalty and Sale Fee are subject to an expected aggregate maximum of US$178,114,732.

(b) ***RepliCel's Financial Situation***. As of June 30, 2024, the Company had minimal cash on hand, total assets of only approximately CDN$175,000, total liabilities of approximately CDN$5.1 million, of which approximately CDN$2.1 million were current liabilities. The Company has no cash flow expectations in the short, medium or long term and faces a lack of available financing options. The risk of having to declare bankruptcy due to the funding shortfall led the Board to analyze all current available alternatives. Faced with cash flow issues that could affect the ability of RepliCel to meet its financial obligations as they become due, the Board felt that the best option to protect shareholder value was to enter into the Purchase Agreement.

(c) ***Substantial Reduction in Operating Costs.*** RepliCel's cost structure is directly related to the company remaining a publicly traded entity. The annual public company maintenance costs, including those for auditors, directors and officers insurance, direct TSXV listing costs and indirect costs related to TSXV compliance, including securities lawyers and transfer agent costs, are estimated at approximately $385,000. These costs, which currently provide no direct commercial value to the Company, would be greatly reduced under the current acquisition proposal. The Company believes the cost savings will be material and will allow for more funds to be available for shareholders.

(d) ***Negotiated Transaction***. The Purchase Agreement is the result of an arm's length negotiation process and includes terms and conditions that are reasonable in the circumstances, and has been unanimously (with Mr. Schutte abstaining) approved by the Board.

(e) ***Shareholders' Approval***. The required Shareholders' approvals are protective of the rights of Shareholders. The Disposition Resolution must be approved by at least 66⅔% of the votes cast by Shareholders at the Meeting and by at least a majority of the votes cast on the Disposition Resolution by the minority Shareholders present in person or by proxy and entitled to vote at the Meeting.

(f) ***Dissent Rights***. Registered Shareholders who do not vote in favour of the Transaction will have the right to require a judicial appraisal of their Common Shares and obtain "fair value" pursuant to the proper exercise of the dissent rights.

(g) ***Evaluation and Analysis***. The Board has given consideration to the business, operations, assets and prospects for the Company.

(h) ***No Other Strategic Alternative***. While the Company has actively pursued different financing sources and evaluated different potential proposals, the adverse arbitration decision involving the Collaboration and Technology Transfer Agreement with Shiseido Co. Ltd. has contributed to these alternatives being unsuccessful. The Board believes that the Company has pursued all reasonable alternatives to raise capital for the Company at this time. The Board does not believe that the Company would be able to find another potential investor or acquirer. Accordingly, the Board believes that no other strategic alternative is currently available to the Company, and If the proposed Transaction is not approved, the Board will likely be forced to place the Company into receivership or bankruptcy.

(i) ***Elimination of Indebtedness***. As a result of entering into the Purchase Agreement, the Company was able to negotiate settlement and conversion terms with the holders of its Class A Preference Shares, which eliminated what was an approximately CDN$800,000 current liability on the Company's balance sheet. Upon completion of the Transaction, the Acquiror will assume all of the Company's liabilities under the agreements with YOFOTO (China) Health Industry Co. Ltd., thus eliminating all significant indebtedness of the Company and its subsidiaries, including, but

not limited to deferred and contingent consideration.

Additional factors considered by the Board and Special Committee are described in the Circular in the section entitled "*Business of the Meeting – Reasons for the Transaction*".

The amount and timing of any dividends resulting from Royalty payments will be determined by the Board exercising its fiduciary duty and subject to applicable solvency or other legal or contractual requirements. Dividends will be made after payment of all fees, expenses and taxes associated with the Transaction, the Royalty and RepliCel's operations generally, as well as retention by RepliCel of amounts necessary to fund dividend payments to holders of RepliCel options and warrants. The Acquiror has agreed to fund RepliCel's expenses on a secured loan basis until the total Royalties paid to RepliCel by the Acquiror reach US$20,000,000, after which such loans become repayable in full before any further dividends may be declared. The Board is not currently aware of any material items that could give rise to unforeseen tax liabilities or other liabilities or costs which would materially reduce the amount of cash available for dividends, but there is no assurance this will remain the case.

The completion of the Transaction is subject to, among other conditions, the passage of the Disposition Resolution and Delisting Resolution at the Meeting and customary closing conditions. The Voluntary Delisting is conditional upon the passage of the Disposition Resolution and the Delisting Resolution at the Meeting, completion of the Transaction, and customary conditions pursuant to a TSXV conditional approval letter. The Transaction is currently expected to close in January 2025.

In order to become effective, the Disposition Resolution must be approved by: (i) at least 66⅔% of the votes cast by Shareholders present in person or represented by proxy at the Meeting; and (ii) a simple majority of votes cast by Shareholders present in person or represented by proxy at the Meeting after excluding votes cast by Shareholders who are required to be excluded in accordance with Section 8.1 of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* and the policies of the TSXV. The Delisting Resolution must be approved by (i) a simple majority of the votes cast on the Delisting Resolution by Shareholders present in person or represented by proxy at the Meeting, and (ii) "majority of the minority shareholder approval" obtained in accordance with the requirements of the TSXV, being at least a majority of the votes cast on the Delisting Resolution at the Meeting excluding votes attaching to Common Shares held by Non-Arm's Length Parties to the Company (as defined in TSXV regulations), whether in person or represented by proxy. Abstentions and broker non-votes will not have any effect on the approval of any of such resolutions.

After consulting with RepliCel management and receiving advice of its legal advisors, and after careful consideration of a number of alternatives and factors, including, among others, receipt of the unanimous recommendation from the Special Committee and the factors set out in the Circular under the heading "*Reasons for the Transaction*", the members of the Board unanimously (with the exception of Andrew Schutte who declared his interest in the transactions contemplated by the Purchase Agreement and abstained from voting in respect thereof) determined that the consummation of the transactions contemplated by the Purchase Agreement, including the Transaction, are in the best interests of RepliCel and recommend that Shareholders vote "FOR" the Disposition Resolution and Delisting Resolution.

In making its recommendation, the Board considered the fact that the Company has no near term viable assets that will generate revenue and has no sources of financing available to it, and the Company's cash reserves will not be sufficient to maintain the costs associated with operating as a public company. If the proposed Transaction is not approved, the Board will likely be forced to place the Company into receivership or bankruptcy.

The accompanying Circular describes the background to the Board's determinations and recommendations. The accompanying Circular also contains a detailed description of the Purchase Agreement and the Transaction and includes other information to assist you in considering the matters to be voted upon which we encourage you to carefully consider. If you require assistance, you should consult your financial, tax, legal and other professional advisors.

Your vote is important regardless of the number of Common Shares you own. All Shareholders are encouraged to take the time to complete, sign, date and return the applicable form of proxy in accordance with the instructions set out therein and in the accompanying Circular so that your Common Shares are voted at the Meeting in accordance with your instructions. If you are a non-registered Shareholder and hold your Common Shares through a broker, custodian, nominee or other intermediary, please follow their instructions. **Please vote as soon as possible**.

The Circular contains important information about RepliCel and the Meeting. We encourage you to review it prior to voting.

If you have any questions or need assistance voting, please call (604) 248-8730.

On behalf of RepliCel, I would like to thank all Shareholders for your ongoing support.

Sincerely,

"*David Hall*"
Chairman of the Board
RepliCel Life Sciences Inc.

REPLICEL LIFE SCIENCES INC.

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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS OF REPLICEL LIFE SCIENCES INC.:

NOTICE IS HEREBY GIVEN, and that the annual general and special meeting (the "**Meeting**") of common shareholders of RepliCel Life Sciences Inc. (the "**Company**") will be held at the offices of Clark Wilson LLP, Suite 900, 885 West Georgia Street, Vancouver, BC V6C 3H1 and via Microsoft Teams, on Monday, December 30, 2024, at the hour of 2:00 p.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial period ended December 31, 2023, and accompanying report of the auditors;

2. to appoint Mao & Ying LLP as the auditors of the Company for the financial year ending December 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the financial year ending December 31, 2024;

3. to set the number of directors of the Company for the ensuing year at three;

4. to elect, individually, David Hall, Peter Lewis and Jamie Mackay as the directors of the Company;

5. to consider and, if thought fit, to pass an ordinary resolution to ratify the Company's 2023 Equity Incentive Plan, as described in the accompanying management information circular (the "**Circular**");

6. consider and, if deemed advisable, pass

   (i) a special resolution, which is set forth in Appendix A of the Circular, to approve the sale of substantially all of the Company's assets in exchange for future royalty payments (the "**Transaction**") pursuant to the Asset Purchase and License Agreement dated August 6, 2024 between the Company and 1456390 B.C. Ltd. (the "**Acquiror**"), and

   (ii) an ordinary resolution, which is set forth in Appendix A of the accompanying Circular, of the "Disinterested Shareholders" for purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions to approve the Transaction,

   (together, the "**Disposition Resolution**"), in each case as more particularly described in the Circular;

7. conditional upon and effective as of the closing of the Transaction, consider and, if deemed advisable, pass an ordinary resolution, which is set forth in Appendix B of the Circular, approving the delisting of the Company's common shares from the TSX Venture Exchange (the "**Delisting Resolution**"); and

8. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of meeting (the "**Notice of Meeting**").

The board of directors of the Company has fixed November 27, 2024 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered holder of common shares at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Circular.

If you are a registered holder of common shares of the Company and are unable to attend the Meeting, please vote by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

In view of COVID-19, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection/prevention-risks.html). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting via Microsoft Teams at https://www.microsoft.com/en-ca/microsoft-teams/join-a-meeting with Meeting ID: **214 726 360 988** and Passcode: **o6Nk6xU3**.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (an "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Dissent Rights

Registered Shareholders as at the close of business on the Record Date have the right to dissent with respect to the Disposition Resolution and, if the Disposition Resolution is adopted, to be paid the fair value of their Common Shares in accordance with the provisions of Section 237 to 247 of the BCBCA. A Registered Shareholder as at the close of business on the Record Date who wishes to dissent must: (a) deliver a written notice of dissent to RepliCel c/o Clark Wilson LLP, 885 W Georgia St #900, Vancouver, BC V6C 3H1, Attention: Mauro Palumbo, by 5:00 p.m. on December 28, 2024, being the date that is two days immediately prior to the Meeting, or any date which is two days immediately prior to the date on which the Meeting may be postponed or adjourned; and (b) otherwise strictly comply with the requirements set forth in Sections 237 to 247 of the BCBCA. Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary and who wish to dissent must make arrangements for the Common Shares beneficially owned by them to be registered in their name prior to the time the written objection to the Disposition Resolution is required to be received by the Company or, alternatively, make arrangements for the Registered Shareholder of such Common Shares to dissent on their behalf, all as described in the accompanying Circular under the heading "Business of the Meeting – Dissent Rights". It is

recommended that you seek independent legal advice if you wish to exercise a right of dissent. Failure to strictly comply with the requirements set forth in Section 237 to 247 of the BCBCA may result in the loss of any right to dissent.

DATED at Vancouver, British Columbia, this 27th day of November, 2024.

By Order of the Board of Directors of

REPLICEL LIFE SCIENCES INC.

"David Hall"
David Hall
Chairman of the Board

PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED PROXY FORM AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.

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INFORMATION CIRCULAR
November 27, 2024

INTRODUCTION

This information circular (the "**Circular**") accompanies the notice of annual general and special meeting of shareholders (the "**Notice**") of RepliCel Life Sciences Inc. (the "**Company**") and is furnished to shareholders (each, a "**Shareholder**") holding common shares (each, a "**Common Share**") in the capital of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the "**Meeting**") of the Shareholders to be held at 2:00 p.m. on December 30, 2024 at the offices of Clark Wilson LLP, Suite 900, 885 West Georgia Street, Vancouver, BC V6C 3H1 and via Microsoft Teams at https://www.microsoft.com/en-ca/microsoft-teams/join-a-meeting with Meeting ID: **214 726 360 988** and Passcode: **o6Nk6xU3**, or at any adjournment or postponement thereof. All references to Shareholders in this Circular are to registered Shareholders unless specifically stated otherwise.

Date and Currency

The date of this Circular is November 27, 2024. Unless otherwise indicated, all dollar amounts referred to herein are in Canadian dollars.

COVID

In view of COVID-19, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection/prevention-risks.html). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting via the Microsoft Teams link above.

GLOSSARY OF TERMS

In this Circular and accompanying Notice of Meeting, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number include the plural and vice versa and words importing any gender include all genders.

"**Acquiror**"	means 1456390 B.C. Ltd., a company controlled by Andrew Schutte.
"**Acquiror Disposition Event**"	occurs if the Acquiror: (i) disposes of the Purchased Assets for no consideration, (ii) proposes a compromise or arrangement to its creditors generally, (iii) has a petition or a receiving order in bankruptcy filed against it, (iv) makes a voluntary assignment in bankruptcy, (v) takes any proceedings with respect to a

	compromise or arrangement, (vi) takes any proceedings to have itself declared bankrupt or wound-up, or (vii) takes any proceedings to have a receiver appointed for any of its property.
"**Acquiror Loan**"	has the meaning given to it under "*Business of the Meeting – The Purchase Agreement and Royalty Agreement*".
"**Closing**"	means the completion of the Transaction in accordance with the terms of the Purchase Agreement.
"**Common Shares**"	means the common shares in the capital of RepliCel.
"**Consideration**"	means the Royalty and the Sale Fee payable to RepliCel pursuant to the Royalty Agreement, subject to the Royalty and Sale Fee Cap.
"**Continuing Officers**"	means Andrew Schutte, Ben Austring, David Kwok, Gary Boddington and Dr. Kevin McElwee.
"**Delisting Resolution**"	means the ordinary resolution of the Shareholders to be considered at the Meeting, approving the voluntary delisting of the Common Shares from the TSXV, substantially in the form set out in Appendix B hereto.
"**Disposition Resolution**"	means the special resolution of the Shareholders to be considered at the Meeting, approving the Transaction, substantially on the terms and in the form set out in Appendix A hereto.
"**Extraordinary Cost**"	means a one-time, non-recurring cost or expense incurred by RepliCel in an amount of at least $75,000.
"**Extraordinary Cost Loan Amount**"	has the meaning given to it under "*Business of the Meeting – The Purchase Agreement and Royalty Agreement*".
"**Intellectual Property**"	means all intellectual property and proprietary rights throughout the world, including, but not limited to: (i) all patents, patent applications, patent disclosures, and inventions and all improvements thereto (whether or not patentable or reduced to practice), and all related reissues, continuations, continuations-in-part, revisions, divisional, extensions, and reexaminations, (ii) trademarks, service marks, domain names, trade dress, corporate names, trade names, and other indicia of source, and all registrations, applications and renewals in connection therewith (together with the goodwill associated therewith), as well as branding and logos (iii) copyrights and all works of authorship (whether or not copyrightable), and all registrations, applications and renewals in connection therewith, (vi) Know-How, databases, layouts, (vii) moral rights and waivers thereof, and (viii) rights of publicity.
"**Interested Parties**"	means Andrew Schutte and Dr. Kevin McElwee, or such other individuals as may be considered interested parties under MI 61-101.
"**Gross Profits**"	means:
	(i) revenues earned by the Acquiror, its subsidiaries or their

	licensees from the sale or licensing of the Products, less, and (ii) the actual direct costs and expenses incurred by the Acquiror, its subsidiaries or their licensees to manufacture or have manufactured the Products, in each case, including: (A) the costs of acquiring or manufacturing raw materials, if any, and (B) fees paid to contract manufacturers, but excluding (C) marketing expenses, general corporate overhead and financing costs.
"**Know-How**"	means all of RepliCel's know-how and any proprietary or confidential information and materials used or useful in or in connection within RepliCel's business, including, but not limited to, records, discoveries, inventions, improvements, modifications, processes, techniques, methods, assays, chemical or biological materials, designs, protocols, formulas, data (including physical data, chemical data, toxicology data, animal data, raw data, clinical data, and analytical and quality control data), dosage regimens, control assays, product specifications, marketing, algorithms, technology, forecasts, profiles, strategies, plans, results in any form whatsoever, trade secrets, technology, compositions, reagents, constructs, compounds, discoveries, results of experimentation or testing, skill and experience, papers, invention disclosures, blueprints, drawings, research data and results, flowcharts, diagrams, chemical compositions, formulae, diaries, notebooks, compilations of information, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals, and all claims and rights related thereto (in each case, patentable, copyrightable, or otherwise).
"**License**"	means an exclusive (except with respect to RepliCel), worldwide, transferable, assignable, sub-licensable license to the Patent Rights, to the extent necessary or useful to develop, modify, improve, make, use, import, sell, offer for sale, and market products for the entire License Term.
"**License Term**"	has the meaning given to it under "*Business of the Meeting – The Purchase Agreement and Royalty Agreement*".
"**MI 61-101**"	means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.
"**Patent Rights**"	means the patents or patent applications whether domestic or foreign listed in Schedule A to the Purchase Agreement, and any patents or applications in any other country corresponding or relating to any of the foregoing, and all divisions, continuations, patents of addition, reissues, re-examinations or extensions thereof, and any patents that issue thereon.
"**Process**"	means any process which is covered in whole or in part by an issued, unexpired claim or a pending claim contained in the Patent Rights or which incorporates the technology described and claimed therein.
"**Products**"	means any of RCH-01, the NBDS platform (RCT and RCS included), RCI-01 and DermaPrecise™ RCI-02 and any improved iterations of these products or part thereof (i) which is covered in whole or in

	part by an issued, unexpired claim or a pending claim contained in the Patent Rights in the country in which any such product or part thereof is made, used, or sold; (ii) which incorporates the technology described and claimed in the Patent Rights; or (iii) is manufactured by using a process or is employed to practice a process which is covered in whole or in part by an issued, unexpired claim or a pending claim contained in the Patent Rights in the country in which any Process is used or in which such product or part thereof is used or sold
"**Purchased Assets**"	has the meaning given to it under "*Business of the Meeting – The Purchase Agreement and Royalty Agreement*".
"**Purchase Agreement**"	means the agreement between RepliCel and the Acquiror dated August 6, 2024 pursuant to which the Acquiror will acquire the Purchased Assets and the License.
"**RepliCel**" **or the** "**Company**"	means RepliCel Life Sciences Inc.
"**RepliCel Class A Preference Shares**"	means Class A preference shares in the capital of RepliCel.
"**RepliCel Class A Preference Share Amendment**"	means the amendments to the rights and restrictions of the RepliCel Class A Preference Shares by the RepliCel Class A Preference Shareholders amending the RepliCel Class A Preference Shares redemption rights and converting all such shares (and their associated rights) into Common Shares.
"**Royalty**"	has the meaning given to it under "*Business of the Meeting – The Purchase Agreement and Royalty Agreement*".
"**Royalty Agreement**"	means the Agreement between RepliCel and the Acquiror to be entered into as of Closing and pursuant to which the Acquiror agrees to pay RepliCel the Royalty and Sale Fee.
"**Royalty and Sale Fee Cap**"	has the meaning given to it under "*Business of the Meeting – The Purchase Agreement and Royalty Agreement*".
"**Sale Fee**"	has the meaning given to it under "*Business of the Meeting – The Purchase Agreement and Royalty Agreement*".
"**Shareholders**"	means the holders of Common Shares.
"**Special Committee**"	means the Special Committee of the board of directors of RepliCel comprised of independent directors Gary Boddington, David Hall and Peter Lewis.
"**TSXV**"	means the TSX Venture Exchange.

NOTICE TO SHAREHOLDERS OUTSIDE OF CANADA

RepliCel is a company existing under the laws of the Province of British Columbia. The solicitation of proxies in connection with the approval of the matters described in the Notice of Meeting and this Circular is being effected in accordance with British Columbia corporate laws and Canadian securities laws. Shareholders should be aware that requirements under such Canadian laws differ materially from requirements applicable to U.S. companies under the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"). The proxy rules under the U.S. Exchange Act are not applicable to the Company nor to this solicitation and this solicitation is not being effected in accordance with the U.S. Exchange Act or the rules and regulations promulgated thereunder.

The enforcement by Shareholders of civil liabilities under United States federal securities laws or the securities laws of other jurisdictions outside of Canada may be affected adversely by the fact that RepliCel is incorporated under the laws of the province of British Columbia. A Shareholder may not be able to sue RepliCel or its officers or directors in a Canadian court for violations of U.S. or other foreign securities laws. Moreover, it may be difficult to compel RepliCel to subject itself to a judgment of a court outside of Canada.

Neither the TSXV, nor any other securities regulatory authority has approved or disapproved the Transaction, the terms of the Purchase Agreement, nor, passed upon the merits or fairness of the Transaction or the adequacy or accuracy of the disclosure in this Circular. Any representation to the contrary is a criminal offense.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Circular contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation ("forward-looking information"). Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this Circular. Examples of such statements include statements with respect to the timing and outcome of the Transaction; the intentions, plans and future actions of RepliCel; the timing for the completion of the Transaction; the anticipated benefits of the Transaction; the likelihood of the Transaction being completed; certain of the expectations of the Special Committee and the Board with respect to the benefits of the Transaction; the satisfaction or waiver of the closing conditions set out in the Purchase Agreement; the receipt and the use of the net proceeds to be received by the Company in connection with the Transaction; the timing and amount of any future dividends; and the timing of the Voluntary Delisting. To the extent any forward-looking information constitutes future-oriented financial information or financial outlook, such information is being provided to describe the matters set forth in the Circular, and readers are cautioned this information may not be appropriate for any other purpose, including investment decisions, and the reader should not place undue reliance on such future-oriented financial information and financial outlooks.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary shareholder approvals; the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the Purchase Agreement; the ability of the parties to the Purchase Agreement to satisfy, in a timely manner, the conditions to Closing of the Transaction; risks related to certain directors and executive officers of the Company having interests in the transactions contemplated by the Purchase Agreement that are different from those of other Shareholders; risks relating to the possibility that holders of the Common Shares may exercise their right to dissent; the available funds of the Company and the anticipated use of such funds; changes in general economic, business and political conditions, including changes in the financial and stock markets; legal and regulatory risks inherent in the industry in which the Company operates, including political risks and risks relating to regulatory change; risks relating to anti-money laundering laws; compliance with extensive government regulation and the

interpretation of various laws, regulations and policies; risk associated with divesting certain assets; public opinion and perception of the industry in which the Company operates; and such other risks set forth under the heading "Risk Factors" below and those contained in the public filings of the Company filed with Canadian securities regulators and available under the Company's profile on SEDAR+ at www.sedarplus.ca.

In respect of the forward-looking information concerning the anticipated benefits and completion of the matters put forward to the Shareholders for a vote at the Meeting, the Company has provided such statements and information in reliance on certain assumptions that the Company believes are reasonable at this time. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this Circular are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. Unless otherwise provided, the forward-looking information included in this Circular are made as of the date of this Circular. The Company does not undertake any obligation to update, publicly or otherwise, any forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable Canadian securities laws. There can be no assurance that the Transaction will occur, or that such events will occur on the terms and conditions contemplated in this Circular. The Purchase Agreement could be modified, restructured or terminated. Forward-looking information is information about the future and is inherently uncertain. There can be no assurance that the forward-looking information will prove to be accurate. Actual results could differ materially from those reflected in the forward-looking information as a result of, among other things, the matters set out in this Circular generally and economic and business factors, some of which may be beyond the control of the Company. The Company expressly disclaims any intention or obligation to update or revise any information contained in this Circular (including forward-looking information) except as required by applicable laws, and Shareholders should not assume that any lack of update to information contained in this Circular means that there has been no change in that information since the date of this Circular and should not place undue reliance on forward- looking information.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact and such solicitation will be made without special compensation granted to the directors, regular officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining, from the principals of such persons, authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this Circular and related proxy materials to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. Each Shareholder is entitled to one vote for each Common Share that such Shareholder holds on November 27, 2024 (the "**Record Date**") on the resolutions to be voted upon at the Meeting, and any other matter to properly come before the Meeting.

The persons named as proxyholders (the "**Designated Persons**") in the enclosed form of proxy are proposed directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

Each Shareholder who has given a proxy may revoke it at any time, before it is exercised, by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

A proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. **The Common Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come

before the Meeting. At the date of this Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Common Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO REGISTERED SHAREHOLDERS

If you are a Registered Shareholder, you may wish to vote by proxy whether or not you are able to attend the Meeting in person. If you submit a proxy, you must complete, date and sign the proxy and then return it using one of the following methods:

- **Internet / Online Voting**: To vote your proxy online, please visit: https://login.odysseytrust.com/pxlogin and click on VOTE. You will require the Control Number printed with your address to the right on your proxy form. If you vote online, do not mail the proxy;

- **By Email**: proxy@odysseytrust.com;

- **By Mail or Personal Delivery**: To Odyssey Trust Company, Attn: Proxy Department, Suite 702, 67 Yonge St., Toronto, ON M5E 1J8; or

- **By Fax**: To Odyssey Trust Company, Attn: Proxy Department at 1-800-517-4553 (toll free within Canada and the U.S.) or 416-263-9524 (international).

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided by a broker, then in almost all cases those Common Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to the names of all Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by his, her or its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Common Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call

a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Common Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Common Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Common Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Common Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under NI 54-101.

The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Common Shares under NI 54-101 and Form 54-107F1 – *Request for Voting Instructions Made by Intermediary*. The objecting beneficial owners of Common Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to Shareholders in this Circular are to registered Shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares without par value and an unlimited number of preference shares without par value. As of the Record Date, determined by the board of directors of the Company (the "**Board**") to be the close of business on the Record Date, a total of 73,577,807 Shares were issued and outstanding. Each Common Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement thereof.

At the Meeting, the votes of holders of Common Shares will be aggregated on all matters to be approved at the Meeting. To the knowledge of the directors or executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to the Common Shares, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares[1]
Andrew Schutte	19,370,227[2]	26.3%
Jamie MacKay	10,034,537[3]	13.6%

(1) Based on 73,577,807 Common Shares issued and outstanding as of November 27, 2024.

(2) Does not include: (i) 1,155,000 options held directly by Mr. Schutte, each of which is exercisable into one Share, of which 30,000 are exercisable at a price of $0.43 per Common Share until July 30, 2025, 325,000 are exercisable at a price of $0.40 until June 14, 2026, 300,000 are exercisable at a price of $0.12 until January 26, 2026 and 500,000 are exercisable at a price of $0.15 until May 8, 2028 and (ii) 6,182,026 warrants, each of which is exercisable into one Common Share, of which 1,051,151 are exercisable at a price of $0.40 per Common Share until May 4, 2027, 3,109,625 are exercisable at a price of $0.20 per Common Share until December 30, 2027 and 2,021,250 are exercisable at a price of $0.20 per Common Share until March 14, 2027.

(3) Does not include 3,743,833 warrants, each of which is exercisable into one Common Share, of which 1,058,083 are exercisable at a price of $0.40 per Common Share until May 4, 2027, 675,000 are exercisable at a price of $0.20 per Common Share until December 30, 2027 and 2,010,750 are exercisable at a price of $0.20 per Common Share until March 14, 2027.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2023, together with the auditor's report thereon, will be presented to the Shareholders at the Meeting. The Company's financial statements and management discussion and analysis are available on SEDAR+ at www.sedarplus.ca.

NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at three. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management of the Company recommends the approval of setting the number of directors of the Company at three.

ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

The Company's Articles contain an advance notice provision (the "**Advance Notice Provision**") of the nomination of directors in certain circumstances. To be timely, the advance notice by the nominating Shareholder (the "**Nominating Shareholder**") must be made:

(a) in the case of an annual meeting of Shareholders, not less than 30 and not more than 65 days prior to the date of the annual meeting of Shareholders; provided, however, that in the event that the annual meeting of Shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder is to be made not later than the close of business on the 10th day after the Notice Date in respect of such meeting; and

(b) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of Shareholders was made.

No nominations of directors for the Meeting by the Nominating Shareholders were received in accordance with the provisions of the Advance Notice Provision.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name Province/State Country of Residence and Position(s) with the Company[1]	Principal Occupation Business or Employment for Last Five Years[1]	Periods during which Nominee has Served as a Director	Number of Shares Owned[1][2]
David Hall[3][4] British Columbia, Canada Chairman of the Board and Director	Mr. Hall has more than two decades of experience in the life sciences industry. From 1994 through 2008, he served in roles as Chief Financial Officer, Chief Compliance Officer and Senior Vice President of Government & Community Relations for Angiotech Pharmaceuticals Inc. He also acted as the Corporate Secretary and Treasurer of Angiotech. Mr. Hall is highly committed to governmental policy issues related to the biotech industry. He is a past Chairman of Life Sciences BC. He has served as the Chairman of the Biotech Industry Advisory Committee to the BC Competition Council and as a member of the BC Task Force on PharmaCare. Mr. Hall is also a past member of the University of British Columbia's Tech Equity Investment Committee, a director and Chairman of the Audit Committee of GLG Lifetech Corporation, as well as Advantage BC. Mr. Hall currently serves as a director of Avricore Health Inc.	December 22, 2010 to date	1,170,923[5]
Peter Lewis[3][4] British Columbia, Canada Director	Mr. Lewis is a partner with Lewis and Company, a firm specializing in taxation law since 1993. His areas of expertise include tax planning, acquisitions and divestitures, reorganizations and estate planning. He is a sought after educator, having taught and presented taxation courses at the Institute of Chartered Professional Accountants of British Columbia and the Canadian Tax Foundation.	May 27, 2011 to date	922,211[6]
Jamie Mackay[4] Wyoming, USA Director	Jamie Mackay is currently the CEO of Mackay Developments, Founder of Wheelhaus, Fireside Resorts and Vurtical. Jamie has extensive experience in large commercial, residential, and mixed-use real estate developments across the United States. Jamie, as a seasoned entrepreneur, has successfully managed numerous private startups.	August 2, 2023 to date	10,034,537[7]

(1) Information has been furnished by the respective nominees individually.

(2) The information as to Common Shares beneficially owned, or over which a nominee exercises control or direction, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective nominees as at November

27, 2024.

(3) Member of the Audit Committee of the Company.

(4) Member of the Nominating, Compensation and Corporate Governance Committee of the Company.

(5) Does not include 100,000 Shares held by Mr. Hall's wife over which Mr. Hall does not exercise control or direction. Does not include 650,000 options held directly by Mr. Hall, each of which is exercisable into one Common Share, of which 100,000 are exercisable at a price of $0.43 per Share until July 30, 2025, 150,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 300,000 are exercisable at $0.12 per Common Share until January 26, 2026 and 100,000 are exercisable at a price of $0.15 per Common Share until May 8, 2028.

(6) 207,843 of these Common Shares are held directly and 419,077 Common Shares are held indirectly through Peter W. Lewis Inc., a private company controlled by Peter Lewis. Does not include 925,000 options held directly by Mr. Lewis, each of which is exercisable into one Common Share, of which 50,000 are exercisable at a price of $0.43 per Common Share until July 30, 2025, 75,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 50,000 are exercisable at a price of $0.12 per Common Share until January 26, 2026 and 75,000 are exercisable at price of $0.15 per Common Share until May 8, 2028 and 50,000 warrants held indirectly by Mr. Lewis, each of which is exercisable into one Common Share at a price of $0.20 per Common Share until December 30, 2025.

(7) Does not include 3,743,833 warrants, each of which is exercisable into one Common Share, of which 1,058,083 are exercisable at a price of $0.40 per Common Share until May 4, 2027, 675,000 are exercisable at a price of $0.20 per Common Share until December 30, 2027 and 2,010,750 are exercisable at a price of $0.20 per Common Share until March 14, 2027.

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

The Company operates with a standing Audit Committee and a Nominating, Compensation and Corporate Governance Committee. David Hall, Peter Lewis and Andrew Schutte are members of the Audit Committee, and David Hall, Peter Lewis and Jamie Mackay are members of the Nominating, Compensation and Corporate Governance Committee. Messrs. Schutte, Buckler and Boddington are not standing for re-election as directors at the Meeting. The Company will reconstitute its committees after the Meeting.

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

Orders

Except as disclosed below, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Peter Lewis is a director of Landstar Properties Inc. ("**Landstar**"), a company listed on the TSXV. On May 11, 2010, while Mr. Lewis was a director of Landstar, Landstar became subject to a cease trade order issued by the British Columbia Securities Commission as a result of the failure to file financial statements (the "**BCSC CTO**") and a cease trade order issued by the Alberta Securities Commission on August 10, 2010 as a result of the failure to file financial statements (together with the BCSC CTO, the "**Cease Trade Orders**"). The Cease Trade Orders remain in effect.

The British Columbia Securities Commission, as principal regulator, issued a Management Cease Trade Order (the "**MCTO**") against the Company on May 3, 2022 in connection with the late filing of the Company's annual financial statements, management's discussion and analysis and officer's certification for the year ended December 31, 2021. Mr. R. Lee Buckler was the Chief Executive Officer of the Company and each of David Hall, Peter Lewis, Andrew Schutte and Gary Boddington were directors of the Company at the time of the issuance of the MCTO. The MCTO was revoked by the British Columbia Securities Commission on July 7, 2022.

Bankruptcies

To the best of management's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

(a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,

(b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

(c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

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

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[1] ($)	Value of All Other Compensation ($)	Total Compensation ($)
Andrew Schutte[2] *President, CEO and Director*	2023 2022	48,000 Nil	Nil Nil	14,917[3] 8,917[3]	Nil Nil	Nil Nil	62,917 8,917
David Kwok[4] *CFO*	2023 2022	25,000 N/A	15,000 N/A	Nil N/A	Nil N/A	Nil N/A	40,000 N/A
Kevin McElwee[5] *Chief Scientific Officer*	2023 2022	72,000 30,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	72,000 30,000
Ben Austring[6] *Corporate Secretary and Chief Operating Officer*	2023 2022	72,000 14,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	72,000 14,500
R. Lee Buckler[7] *Former President, CEO, Corporate Secretary and Director*	2023 2022	6,333 220,000[15]	Nil Nil	5,028 833	Nil Nil	Nil Nil	11,361 200,833
Simon Ma[8] *Former CFO*	2023 2022	42,000 94,000	Nil Nil	Nil Nil	Nil Nil	Nil 94,000	42,000 94,000
David Hall[9] *Chairman and Director*	2023 2022	Nil Nil	Nil Nil	24,000 17,750	Nil Nil	Nil Nil	24,000 17,750
Peter Lewis[10] *Director*	2023 2022	Nil Nil	Nil Nil	17,500 14,450	Nil Nil	Nil Nil	17,500 14,450
Gary Boddington[11] *Director*	2023 2022	Nil Nil	Nil Nil	15,250 16,250	Nil Nil	Nil Nil	15,250 16,250

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[1] ($)	Value of All Other Compensation ($)	Total Compensation ($)
Jamie Mackay[12] *Director*	2023 2022	Nil N/A	Nil N/A	4,083 N/A	Nil N/A	Nil N/A	4,083 N/A
Peter Lowry[13] *Former Director*	2023 2022	Nil Nil	Nil Nil	8,000 16,000	Nil Nil	Niil Nil	8,000 16,000

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) $15,000, if the NEO or director's total salary for the financial year is $150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than $150,000 but less than $500,000, or (c) $50,000 if the NEO or director's total salary for the financial year is $500,000 or greater.

(2) Andrew Schutte has been a director of the Company since December 14, 2018 and the President and CEO of the Company since November 28, 2022.

(3) These fees were paid to Andrew Schutte for his services as a director of the Company.

(4) David Kwok has been the CFO of the Company since August 16, 2023.

(5) Kevin McElwee has been the Chief Scientific Officer of the Company since August 22, 2011.

(6) Ben Austring has been the Corporate Secretary of the Company since December 30, 2022 and the Chief Operating Officer of the Company since April 21, 2023.

(7) R. Lee Buckler was the President and CEO of the Company from January 1, 2016 to November 28, 2022 and the Corporate Secretary from June 13, 2016 to November 28, 2022. He has been a director of the Company since January 1, 2016.

(8) Simon Ma was the CFO of the Company from October 17, 2018 to July 31, 2023.

(9) David Hall has been a director of the Company since December 22, 2010 and the Chairman since January 1, 2016.

(10) Peter Lewis has been a director of the Company since May 27, 2011.

(11) Mr. Boddington has been a director of the Company since June 1, 2021.

(12) Jamie Mackay has been a director of the Company since August 2, 2023.

(13) Peter Lowry was a director of the Company from December 14, 2018 to September 22, 2023.

(14) These fees were paid to R. Lee Buckler for his services as the President and CEO of the Company.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the year ended December 31, 2023 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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 $	Expiry Date
Andrew Schutte *President, CEO and Director*	Stock Options	300,000/300,000/ 7.33%[2]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
	Stock Options	500,000/500,000/ 12.21%[2]	May 8, 2023	0.15	0.145	0.065	May 8, 2028

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 $**	**Expiry Date**
David Kwok *CFO*	Stock Options	150,000/150,000/ 1.01%	August 16, 2023	0.15	0.15	0.065	August 16, 2027
Kevin McElwee *Chief Scientific Officer*	Stock Options	300,000/300,000/ 7.33%[3]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
	Stock Options	250,000/250,000/ 6.11%[2]	May 8, 2023	0.15	0.145	0.065	May 8, 2028
Ben Austring *Corporate Secretary and Chief Operating Officer*	Stock Options	370,000/370,000/ 9.04%[2]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
	Stock Options	250,000/250,000/ 6.11%[2]	May 8, 2023	0.15	0.145	0.065	May 8, 2028
R. Lee Buckler *Former President, CEO, Corporate Secretary and Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Simon Ma *Former CFO*	Stock Options	50,000/50,000/ 1.23%[3]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
David Hall *Chairman and Director*	Stock Options	300,000/300,000/ 7.33%[2]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
	Stock Options	100,000/100,000/ 2.45%[2]	May 8, 2023	0.15	0.145	0.065	May 8, 2028
Peter Lewis *Director*	Stock Options	50,000/50,000/ 1.23%[3]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
	Stock Options	75,000/75,000/ 1.84%[2]	May 8, 2023	0.15	0.145	0.065	May 8, 2028
Gary Boddington *Director*	Stock Options	100,000/100,000/ 2.45%[3]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
	Stock Options	75,000/75,000/ 1.84%[2]	May 8, 2023	0.15	0.145	0.065	May 8, 2028
Jamie Mackay *Director*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Peter Lowry *Former Director*	Stock Options	300,000/300,000/ 7.33%[2]	January 26, 2023	0.12	0.11	0.065	January 26, 2026
	Stock Options	100,000/100,000/ 2.45%[2]	May 8, 2023	0.15	0.145	0.065	May 8, 2028

(1) Based on 4,095,000 stock options outstanding as at December 31, 2023.

(2) 100% of these stock options vest on the date of grant.

(3) 50% of these stock options vest on June 30, 2023, 25% of these stock options vest on December 31, 2023 and 25% of these stock options vest on June 30, 2024.

As at December 31, 2023:

(a) Andrew Schutte, the President, CEO and a director of the Company, owned an aggregate of 1,155,000 compensation securities directly, comprised solely of stock options, each of which are exercisable into one Common Share. Of these 30,000 are exercisable at a price of $0.43 per Share until July 30, 2025, 325,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 300,000 are exercisable at a price of $0.12 per Common Share until January 26, 2026 and 500,000 are exercisable at a price of $0.15 per Common Share until May 8, 2028;

(b) David Kwok, the CFO of the Company, owned 150,000 compensation securities directly, comprised solely of stock options, each of which are exercisable into one Common Share at a price of $0.15 per Common Share until August 16, 2027;

(c) Kevin McElwee, the Chief Scientific Officer of the Company, owned an aggregate of 825,000 compensation securities directly, comprised solely of stock options, each of which is exercisable into one Common Share. Of these, 75,000 are exercisable at a price of $0.43 per Common Share until July 30, 2025, 200,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 300,000 are exercisable at a price of $0.12 per Common Share until January 26, 2026 and 250,000 are exercisable at a price of $0.15 per Common Share until May 8, 2028;

(d) Ben Austring, the Corporate Secretary and Chief Operating Officer of the Company, owned 670,000 compensation securities directly, comprised solely of stock options, each of which are exercisable into one Common Share. Of these, 50,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 370,000 are exercisable at a price of $0.12 per Common Share until January 26, 2026 and 250,000 are exercisable at a price of $0.15 per Common Share until May 8, 2028;

(e) R. Lee Buckler, the former President and CEO of the Company and a current director of the Company, owned an aggregate of 640,000 compensation securities directly, comprised solely of stock options, each of which is exercisable into one Common Share. Of these, 400,000 are exercisable at a price of $0.43 per Common Share until July 30, 2025 and 240,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026;

(f) David Hall, the Chairman and a director of the Company, owned an aggregate of 650,000 compensation securities directly, comprised solely of stock options, each of which is exercisable into one Common Share. Of these, 100,000 are exercisable at a price of $0.43 per Common Share until July 30, 2025, 150,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 300,000 are exercisable at a price of $0.12 per Common Share until January 26, 2026 and 100,000 are exercisable at a price of $0.15 per Common Share until May 8, 2028;

(g) Peter Lewis, a director of the Company, owned an aggregate of 250,000 compensation securities, comprised solely of stock options, each of which is exercise into one Common Share. Of these 50,000 are exercisable at a price of $0.43 per Common Share until July 30, 2025, 75,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 50,000 are exercisable at a price of $0.12 per Common Share until January 26, 2026 and 75,000 are exercisable at a price of $0.15 per Common Share until May 8, 2028;

(h) Gary Boddington, a director of the Company, aggregate of 325,000 compensation securities, comprised solely of stock options, each of which is exercise into one Common Share. Of these 150,000 are exercisable at a price of $0.40 per Common Share until June 14, 2026, 100,000 are exercisable at a price of $0.12 per Common Share until January 26, 2026 and 75,000 are exercisable at a price of $0.15 per Common Share until May 8, 2028; and

(i) Jamie Mackay, a director of the Company, did not own any compensation securities.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by directors and NEOs in the year ended December 31, 2023.

Employment, Consulting and Management Agreements

Consulting Agreement: Andrew Schutte

Pursuant to a consultant agreement, effective November 28, 2022, between Andrew Schutte and the Company, Mr. Schutte serves as President and CEO of the Company and President and CEO of TrichoScience Innovations Inc. for a base salary of CDN$4,000 per month (CDN$48,000 per annum). At Mr. Schutte's discretion, until such time that the Company is deemed to be in an adequate financial position, Mr. Schutte intends to accept his compensation in shares for debt. Under the agreement, Mr. Schutte will be eligible to participate in a bonus plan as and when established by the Company and may also be eligible to receive additional Option grants or awards under other equity based incentive plans from time to time.

Consulting Agreement: Simon Ma

The Company entered into a consulting agreement dated October 17, 2018, with Simon S. Ma Corporation, a company wholly owned by Simon Ma, the CFO of the Company, pursuant to which Simon Ma provides the Company with financial and accounting services. The Company has agreed to pay Simon S. Ma Corporation a consulting fee of $8,000 plus GST for the term of the consulting agreement, twelve months after the effective date. The consulting agreement is automatically renewable for twelve months unless either party gives thirty days' written notice to the other of its intention not to renew the consulting agreement. The consulting agreement may be terminated before its expiry by either party at any time without cause by giving notice to the other party at least thirty days prior to the termination and by the Company, without notice, immediately upon the occurrence of any default by Mr. Ma. The consulting agreement was terminated upon the death of Mr. Ma on July 31, 2023. Mr. Ma did not receive any compensation relating to the termination of his employment agreement.

Employment Agreement: Lee Buckler

Pursuant to an employment agreement, effective as of January 1, 2016, between Lee Buckler and the Company, Mr. Buckler served as President, CEO and Corporate Secretary of the Company and President and CEO of TrichoScience Innovations Inc. for a base salary of $240,000 per annum. Under the agreement, Mr. Buckler was eligible to participate in a bonus plan as and when established by the Company, which currently is anticipated to provide for bonuses based on a target bonus of 100 percent of the base salary earned by Mr. Buckler during each fiscal year in accordance with milestones to be established by the Board. Mr. Buckler was entitled to receive a retention bonus where the Company will pay $45,000 on the earlier of April 30, 2016 or 30 days after the Company completed an equity financing with minimum gross proceeds of $3,000,000. Mr. Buckler received the $45,000 bonus during the year ended December 31, 2016. Mr. Buckler was also eligible to receive additional Option grants or awards under other equity based incentive plans from time to time. If Mr. Buckler's employment was terminated for any reason other than for just cause, the Company would pay Mr. Buckler: any unpaid base salary earned but unpaid; a lump sum amount as severance compensation equal to three months of base salary for the first year of employment or a lump sum amount as severance compensation equal to twelve months of base salary after the first year of employment plus an additional two months of base salary for each full year of employment after the initial year up to a maximum of eighteen months of base salary, and a lump sum payment as compensation for the loss of Mr. Buckler's entitlement to benefits up to a maximum of $100,000. Mr. Buckler resigned as the President and CEO of the Company on November 28, 2022, and his employment agreement was terminated on his resignation. Mr. Buckler did not receive any compensation relating to the termination of his employment agreement.

Director's Services Agreement: David Hall

Pursuant to a director's services agreement dated January 1, 2016, Mr. Hall serves as the Chairman and a member of the Board. In consideration, the Company has agreed to pay an annual retainer of $15,000 to serve as the Chairman, an annual retainer of $10,000 to serve as a director, a fee of $1,000 per Board meeting, a fee of $1,000 per Audit Committee meeting and $1,000 per nominating, compensation and corporate governance

committee meeting.

Consulting Agreement: Ben Austring

The Company entered into a consulting agreement dated effective November 1, 2022 with Ben Austring Ltd., a sole proprietorship company wholly owned by Ben Austring, pursuant to which Ben Austring provides the Company with strategic and management of operations services. The Company has agreed to pay Ben Austring a monthly consulting fee of $6,000 plus GST for the term of the consulting agreement, being twelve months after the effective date. The consulting agreement is automatically renewable for twelve months unless either party gives thirty days' written notice to the other of its intention not to renew the consulting agreement. The consulting agreement may be terminated before its expiry by either party at any time without cause by giving notice to the other party at least thirty days prior to the termination and by the Company, without notice, immediately upon the occurrence of any default by Mr. Austring.

Consulting Agreement: Kevin McElwee

The Company entered into a consulting agreement dated September 1, 2009, as amended November 1, 2010, effective with Dr. Kevin McElwee, a company wholly owned by Dr. Kevin McElwee, the Chief Science Officer of the Company, pursuant to which Dr. Kevin McElwee provides the Company with scientific expertise in the area of hair biology and cell therapy and research services. The Company has agreed to pay Dr. Kevin McElwee a consulting fee of $250 per hour plus GST for the term of the consulting agreement, being five years after the effective date. The consulting agreement is automatically renewable for five years unless either party gives ninety days' written notice to the other of its intention not to renew the consulting agreement. The consulting agreement may be terminated before its expiry by either party at any time without cause by giving notice to the other party at least thirty days prior to the termination and by the Company, without notice, immediately upon the occurrence of any default by Dr. Kevin McElwee.

Consulting Agreement: David Kwok

The Company entered into a consulting agreement dated August 1, 2023, as the CFO of the Company, pursuant to which David Kwok provides the Company with financial and accounting services. The Company has agreed to pay a monthly consulting fee of $5,000 plus GST for the term of the consulting agreement, twelve months after the effective date. The consulting agreement is automatically renewable for twelve months unless either party gives thirty days' written notice to the other of its intention not to renew the consulting agreement. The consulting agreement may be terminated before its expiry by either party at any time without cause by giving notice to the other party at least thirty days prior to the termination and by the Company, without notice, immediately upon the occurrence of any default.

Oversight and Description of Director and NEO Compensation

Compensation Process

The Company appointed a Nominating, Compensation and Corporate Governance Committee (the "**NCCG Committee**") in October 2013, which currently is comprised of David Hall, Peter Lewis (Chair) and Andrew Schutte.

Among other duties, the NCCG Committee reviews and recommends to the Board for approval policies relating to the compensation of the Company's executive officers, reviews the performance of the Company's executive officers, and recommends annually to the Board for approval the amount and composition of compensation to be paid to the Company's executive officers.

When determining the compensation of its officers, the Board considers: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the shareholders of the Company; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

Accordingly, the Board relies on a number of factors including such input from the NCCG Committee, and through various discussions and without any formal objectives, criteria or analysis, in determining the compensation of its executive officers, as well as employees and consultants. The NCCG Committee ensures that

the total compensation paid to all NEOs and directors is fair, reasonable, and consistent with the Company's compensation philosophy. The final decision upon compensation is made by the Board.

The NCCG Committee reviews at least annually the corporate goals and objectives of the Company's executive compensation plans, incentive-compensation and equity based plans and other general compensation plans (collectively, the "**Company Plans**") and, if appropriate, recommends that the Board amend these goals and objectives. The NCCG Committee also reviews at least annually the Company Plans in light of the Company's goals and objectives with respect to such plans, and, if the NCCG Committee deems it appropriate, recommend to the Board the adoption of new, or the amendment of existing, Company Plans.

Goals and Objectives

The overall objective of the Company's compensation strategy is to offer medium-term and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard. The Company currently has medium-term and long-term compensation components in place, such as the Options granted which have expiry dates in 2025 through 2026, respectively. The Company intends to further develop these compensation components. The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the Shareholders. Therefore, a significant portion of the total compensation is based on overall corporate performance. The Company relies on Board discussion without a formal agenda for objectives, criteria and analysis when determining executive compensation. There are no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The Company directly, or indirectly, through companies managed by NEOs, pays management fees to NEOs. The Company also chooses to grant Options to NEOs and directors to satisfy the long-term compensation component. The Board may consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant. The Board considers that the payment of such discretionary annual cash bonuses satisfies the medium-term compensation component. In the future, the Board may also consider the grant of Options to purchase Shares of the Company with longer future vesting dates to satisfy the long-term compensation component.

Executive Compensation Program

Executive compensation is comprised of two elements: base fee or salary and long-term incentive compensation (Options). The Board reviews both components in assessing the compensation of individual executive officers and of the Company as a whole.

Base fees or salaries are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive within the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers.

Options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Shares over a stated period of time, and are intended to reinforce the commitment to long-term growth and shareholder value. Stock option grants reward overall corporate performance as measured through the price of the Shares and enable executives to acquire and maintain a significant ownership position in the Company. See "*Stock Options and Other Compensation Securities*" above.

The Company has not retained a compensation consultant or advisor to assist the Board in determining compensation for any of the Company's directors or officers. Given the Company's current stage of development, the Company has not considered the implications of the risks associated with the Company's compensation practices. The Company has not adopted any policies with respect to whether NEOs and directors are permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the

NEO or director.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth, as of December 31, 2023, the number of securities to be issued upon exercise of outstanding stock options, the weighted-average exercise price and the number of securities remaining to be issued under equity compensation plans approved and not approved by the Shareholders:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights[1]	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))[2]
Equity compensation plans approved by security holders	5,965,000	$0.31	1,392,780
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	5,965,000	$0.31	1,392,780

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

(2) The Plan is a rolling stock option plan under which the Company can issue such number of options as is equal to 10% of the Company's issued and outstanding Common Shares from time to time. As of November 27, 2024, there were 73,577,807 Common Shares outstanding and the Company could issue up to 7,357,780 options to acquire Common Shares on such date.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee, proposed nominee for election to the Board, or associate of such persons is, or has been, indebted to the Company since the beginning of the most recently completed financial year of the Company and no indebtedness remains outstanding as at the date of this Information Circular.

None of the directors or executive officers of the Company is or, at any time since the beginning of the most recently completed financial year, has been indebted to the Company. None of the directors' or executive officers' indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Mao & Ying LLP as auditors of the Company for the fiscal year ending December 31, 2023, and to authorize the directors of the Company to fix the remuneration to be to be paid to the auditors for the fiscal year ending December 31, 2023. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Mao & Ying LLP were first appointed as auditors on December 6, 2022.

Management of the Company recommends that Shareholders vote for the appointment of Mao & Ying LLP, as the Company's auditors for the Company's fiscal year ending December 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2024.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 Audit Committees ("**NI 52-110**"), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the "**Audit Committee**").

Audit Committee Charter

The following Audit Committee charter (the "**Audit Committee Charter**") was adopted by the Company's Audit Committee and the Board:

Purpose of the Audit Committee

The Audit Committee is a standing committee of the Board. The role of the Audit Committee is to:

(a) assist the Board in its oversight responsibilities by reviewing: (i) the Company's consolidated financial statements, the financial and internal controls and the accounting, audit and reporting activities, (ii) the Company's compliance with legal and regulatory requirements, (iii) the external auditors' qualifications and independence, and (iv) the scope, results and findings of the Company's external auditors' audit and non-audit services;

(b) prepare any report of the Audit Committee required to be included in the Company's annual report or proxy material; and

(c) take such other actions within the scope of this Audit Committee Charter as the Board may assign to the Audit Committee from time to time or as the Audit Committee deems necessary or appropriate.

Composition, Operations and Authority Composition

The Audit Committee shall be composed of a minimum of three members of the Board. A majority of the members of the Audit Committee shall be independent as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company's securities are listed and applicable securities regulatory authorities (collectively, the "**Applicable Law**"). Each member of the Audit Committee shall be "financially literate" and at least one member of the Audit Committee shall be a "financial expert", as such terms are defined by the Applicable Law.

Members of the Audit Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier retirement, resignation or removal. Any member of the Audit Committee may be removed by the Board in its discretion. However, a member of the Audit Committee shall automatically cease to be a member of the Audit Committee upon either ceasing to be a director of the Board or, if applicable, ceasing to be independent as required in this Section 2 of this Audit Committee Charter. Vacancies on the Audit Committee will be filled by the Board.

Authority

The authority of the Audit Committee is subject to the provisions of this Audit Committee Charter, the constating documents of the Company, such limitations as may be imposed by the Board from time to time and Applicable Law.

The Audit Committee shall have the authority to: (i) retain (at the Company's expense) its own legal counsel and other advisors and experts that the Audit Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities; (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities; and (iii) take whatever actions that it deems appropriate to foster an internal culture that is committed to maintaining quality financial reporting, sound business risk practices and ethical behavior within the Company. In addition, the Audit Committee shall have the authority to request any officer, director or employee of the Company, or any other persons whose advice and counsel are sought by the Audit

Committee, such as members of the Company's management or the Company's outside legal counsel and external auditors, to meet with the Audit Committee or any of its advisors and to respond to their inquiries. The Audit Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Audit Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Audit Committee with respect to any of the matters referred to in this Audit Committee Charter.

Operations

The Board may appoint one member of the Audit Committee to serve as chair of the Audit Committee (the "**Chair**"), but if it fails to do so, the members of the Audit Committee shall designate a Chair by majority vote of the full Audit Committee to serve at the pleasure of the majority of the full Audit Committee. If the Chair of the Audit Committee is not present at any meeting of the Audit Committee, an acting Chair for the meeting shall be chosen by majority vote of the Audit Committee from among the members present. In the case of a deadlock on any matter or vote, the Chair shall refer the matter to the Board. The Audit Committee may appoint a secretary who need not be a director of the Board or Audit Committee.

The Chair shall preside at each meeting of the Audit Committee and set the agendas for the Audit Committee meetings. The Audit Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings as long as they are not inconsistent with any provisions of the Company's constating documents or this Audit Committee Charter.

The Audit Committee shall meet (in person or by telephonic meeting) at least quarterly or more frequently as circumstances dictate. As a part of each meeting of the Audit Committee at which the Audit Committee recommends that the Board approve the annual audited financial statements, the Audit Committee shall meet in a separate session with the external auditors and, if desired, with management and/or the internal auditor. In addition, the Audit Committee or the Chair shall meet with management quarterly to review the Company's financial statements and the Audit Committee or a designated member of the Audit Committee shall meet with the external auditors to review the Company's financial statements on a regular basis as the Audit Committee may deem appropriate. The Audit Committee shall maintain written minutes or other records of its meetings and activities, which shall be duly filed in the Company's records.

Except as otherwise required by the Company's constating documents, a majority of the members of the Audit Committee shall constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Audit Committee. The Audit Committee may also act by unanimous written consent in lieu of a meeting.

Responsibilities and Duties

The Audit Committee's primary responsibilities are to:

<u>General</u>

(a) review and assess the adequacy of this Audit Committee Charter on an annual basis and, where necessary or desirable, recommend changes to the Board;

(b) report to the Board regularly at such times as the Chair may determine to be appropriate but not less frequently than four times per year;

(c) follow the process established for all committees of the Board for assessing the Audit Committee's performance;

<u>Review of Financial Statements, MD&A and other Documents</u>

(d) review the Company's financial statements and related management's discussion and analysis and any other annual reports or other financial information to be submitted to any governmental body or

the public, including any certification, report, opinion or review rendered by the external auditors before they are approved by the Board and publicly disclosed;

(e) review with the Company's management and, if applicable, the external auditors, the Company's quarterly financial statements and related management's discussion and analysis, before they are released;

(f) ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements other than the disclosure referred to in the two immediately preceding paragraphs and periodically assess the adequacy of such procedures;

(g) review the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company;

(h) review with the Company's management any press release of the Company which contains financial information;

(i) review analyses prepared by management and/or the external auditors setting forth significant reporting issues and judgments made in connection with the preparation of the Company's financial statements;

External Auditors

(j) recommend external auditors' nominations to the Board to be put before the shareholders for appointment and, as necessary, the removal of any external auditors in office from time to time;

(k) approve the fees and other compensation to be paid to the external auditors;

(l) pre-approve all significant non-audit engagements to be provided to the Company with the external auditors;

(m) require the external auditors to submit to the Audit Committee, on a regular basis (at least annually), a formal written statement delineating all relationships between the external auditors and the Company and discuss with the external auditors any relationships that might affect the external auditors' objectivity and independence;

(n) recommend to the Board any action required to ensure the independence of the external auditors;

(o) advise the external auditors of their ultimate accountability to the Board and the Audit Committee;

(p) oversee the work of the external auditors engaged for the purpose of preparing an audit report or performing other audit, review and attest services for the Company;

(q) evaluate the qualifications, performance and independence of the external auditors which are to report directly to the Audit Committee, including (i) reviewing and evaluating the lead partner on the external auditors' engagement with the Company, (ii) considering whether the auditors' quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditors' independence, (iii) determine the rotation of the lead audit partner and the audit firm, and (iv) take into account the opinions of management and the internal audit function in assessing the external auditors' qualifications, independence and performance;

(r) present the Audit Committee's conclusions with respect to its evaluation of external auditors to the Board and take such additional action to satisfy itself of the qualifications, performance and independence of external auditors and make further recommendations to the Board as it considers necessary;

(s) obtain and review a report from the external auditors at least annually regarding the external auditors' internal quality-control procedures; material issues raised by the most recent internal quality- control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the external auditors and the Company;

(t) establish policies for the Company's hiring of employees or former employees of the external auditors;

(u) monitor the relationship between management and the external auditors including reviewing any management letters or other reports of the external auditors and discussing any material differences of opinion between management and the external auditors;

Financial Reporting Process

(v) periodically discuss the integrity, completeness and accuracy of the Company's internal controls and the financial statements with the external auditors in the absence of the Company's management;

(w) in consultation with the external auditors, review the integrity of the Company's financial internal and external reporting processes;

(x) consider the external auditors' assessment of the appropriateness of the Company's auditing and accounting principles as applied in its financial reporting;

(y) review and discuss with management and the external auditors at least annually and approve, if appropriate, any material changes to the Company's auditing and accounting principles and practices suggested by the external auditors, internal audit personnel or management;

(z) review and discuss with the CEO and the CFO the procedures undertaken in connection with the CEO and CFO certifications for the interim and annual filings with applicable securities regulatory authorities;

(aa) review disclosures made by the CEO and CFO during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Company's internal controls;

(bb) establish regular and separate systems of reporting to the Audit Committee by management and the external auditors of any significant decision made in management's preparation of the financial statements, including the reporting of the view of management and the external auditors as to the appropriateness of such decisions;

(cc) discuss during the annual audit, and review separately with each of management and the external auditors, any significant matters arising from the course of any audit, including any restrictions on the scope of work or access to required information; whether raised by management, the head of internal audit or the external auditors;

(dd) resolve any disagreements between management and the external auditors regarding financial reporting;

(ee) review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Audit Committee, have been implemented at an appropriate time subsequent to the implementation of such changes or improvements;

(ff) retain and determine the compensation of any independent counsel, accountants or other advisors to assist in its oversight responsibilities (the Audit Committee shall not be required to obtain the approval of the Board for such purposes);

(gg) discuss any management or internal control letters or proposals to be issued by the external auditors

of the Company;

Corporate Controls and Procedures

(hh) receive confirmation from the CEO and CFO that reports to be filed with Canadian securities commissions and any other applicable regulatory agency: (a) have been prepared in accordance with the Company's disclosure controls and procedures; and (b) contain no material misrepresentations or omissions and fairly presents, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports;

(ii) receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by such reports;

(jj) discuss with the CEO and CFO any reasons for which any of the confirmations referred to in the two preceding paragraphs cannot be given by the CEO and CFO;

Code of Conduct and Ethics

(kk) review and discuss the Company's Code of Business Conduct and Ethics (the "**Code**") and the actions taken to monitor and enforce compliance with the Code;

(ll) establish procedures for: i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters; and ii) the confidential, anonymous submission of concerns regarding questionable accounting, internal control and auditing matters;

Legal Compliance

(mm) confirm that the Company's management has the proper review system in place to ensure that the Company's financial statements, reports, press releases and other financial information satisfy Applicable Law;

(nn) review legal compliance matters with the Company's legal counsel;

(oo) review with the Company's legal counsel any legal matter that the Audit Committee understands could have a significant impact on the Company's financial statements;

(pp) conduct or authorize investigations into matters within the Audit Committee's scope of responsibilities;

(qq) perform any other activities in accordance with the Audit Committee Charter, the Company's constating documents and Applicable Law the Audit Committee or the Board deems necessary or appropriate;

Related Party Transactions

(rr) review the financial reporting of any transaction between the Company and any officer, director or other "related party" (including any shareholder holding an interest greater than 5% in the Company) or any entity in which any such person has a financial interest;

(ss) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures;

Reporting and Powers

(tt) report to the Board following each meeting of the Audit Committee and at such other times as the Board may consider appropriate; and

(uu) exercise such other powers and perform such other duties and responsibilities as are incidental to the

purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Audit Committee by the Board.

Limitations of Responsibility

While the Audit Committee has the responsibilities and powers provided by this Audit Committee Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management (with respect to whom the Audit Committee performs an oversight function) and the external auditors.

Composition of the Audit Committee

As of the date of this Information Circular, the following are the members of the Audit Committee:

Peter Lewis – Chairman	Independent	Financially literate
David Hall	Independent	Financially literate
Andrew Schutte	Non-Independent	Financially literate

The Board will elect new members of the Audit Committee after the Meeting. The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries, and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

The relevant education and experience of the current members of our Audit Committee is as follows:

Peter Lewis

Mr. Lewis is a chartered accountant and has been a partner with Lewis and Company, a firm specializing in taxation law, since 1993. His areas of expertise include: tax planning, acquisitions and divestitures, reorganizations and estate planning. Mr. Lewis has presented taxation courses at the Institute of Chartered Accountants of British Columbia and the Canadian Tax Foundation. He served on the Taxation Committee of the Institute of Chartered Accountants for three years and as President and Secretary- Treasurer at the Jericho Tennis Club for a combined eight years. Mr. Lewis is currently Finance Chair of the Marine Drive Golf Club.

David Hall

Mr. Hall has served as a director of the Company since December 22, 2010, Chairman of the Board since January 1, 2016 and was the President and Chief Executive Officer of the Company from December 22, 2010 until January 1, 2016. From 1994 through 2008, he served in roles as Chief Financial Officer, Chief Compliance Officer and Senior Vice President of Government & Community Relations for Angiotech Pharmaceuticals Inc. He also acted as the Corporate Secretary and Treasurer of Angiotech. Mr. Hall is highly committed to governmental policy issues related to the biotech industry. He is a past Chairman of Life Sciences BC. He has served as the Chairman of the Biotech Industry Advisory Committee to the BC Competition Council and as a member of the BC Task Force on PharmaCare. Mr. Hall is also a past member of the University of British Columbia's Tech Equity Investment Committee, a director and Chairman of the Audit Committee of GLG Lifetech Corporation, as well as Advantage BC. Mr. Hall currently serves as a director of Avricore Health Inc.

Andrew Schutte

Mr. Schutte was the Chief Technology Officer with MainPointe Pharmaceuticals from November 2016 to June 2022. Mr. Schutte was a VBA Programmer with Gerimed Inc. from February 2012 to February 2016, a US based

company which provides independent pharmacies servicing long-term care and home care patients access to cost effective solutions. He is the President and sole proprietor of two oil related LLCs, Nolan Olbohrung LLC and Valence Oil LLC.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (De Minimis Non-Audit Services) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), 6.1.1(5) (Events Outside Control of Member) and 6.1.1(6) (Death, Incapacity or Resignation) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (Exemptions) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

In the following table, "Audit Fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-Related Fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax Fees" are fees billed by the auditor for professional services rendered for tax compliance, advice and planning. "All Other Fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years, by category, are as follows:

Fiscal Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2023	$45,000	Nil	Nil	Nil
December 31, 2022	$80,000	Nil	Nil	Nil

Exemption

The Company is relying on the exemption provided by Section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

General

National Instrument 58-101 Disclosure of Corporate Governance Practices ("**NI 58-101**"), as adopted by the Canadian Securities Administrators, prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through meetings of the Board.

Each of Messrs. Hall, Lewis, Mackay and Boddington are "independent" in that they are independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with each their respective ability to act in the best interests of the Company. As Mr. Schutte is the President and CEO of the Company he is therefore not "independent". As Mr. Mackay owns more than 10% of the issued and outstanding he is therefore not "independent". Mr. Buckler is not considered "independent" as he was the CEO of the Company within the last three years.

Directorships

The following table sets out information regarding other directorships presently held by directors of the Company with other reporting issuers (or the equivalent) in Canada or any foreign jurisdiction:

Name of Director of the Company	Names of Other Reporting Issuers
Andrew Schutte	None
R. Lee Buckler	None
David Hall	Avricore Health Inc.(1)(2)
Peter Lewis	Landstar Properties Inc.(1)
Gary Boddington	None
Jamie Mackay	None

(1) Exchange

(2) OTCQB

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board believes that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board has established the NCCG Committee. The NCCG Committee consists of David Hall, Peter Lewis and Jamie Mackay. The NCCG Committee adopted a charter on October 28, 2013.

The NCCG Committee evaluates the Board's effectiveness and the effectiveness of its members pursuant to the process for such evaluation approved by the Board and reviews, as required, the size and composition of the Board to ensure that there remain an appropriate number of "unrelated" and "independent" directors. The NCCG Committee also identifies and recommends qualified candidates to the Board who meet the selection criteria approved by the Board, and recommends slates of nominees for election by Shareholders at the annual meeting and, in this regard, the NCCG Committee has the sole authority to retain and terminate any search firm to be used to identify director candidates or to otherwise assist the NCCG Committee in the discharging of its responsibilities, including the sole authority to approve the search firm's fees and other retention terms.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

Among other duties, the NCCG Committee reviews and recommends to the Board for approval policies relating to compensation of the Company's executive officers and reviews the performance of the Company's executive officers and recommend annually to the Board for approval the amount and composition of compensation to be paid to the Company's executive officers.

When determining the compensation of its officers, the Board considers: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

Accordingly, the Board relies on a number of factors including such input from the NCCG Committee, and through various discussions and without any formal objectives, criteria or analysis, in determining the compensation of its executive officers, as well as employees and consultants. The NCCG Committee ensures that the total compensation paid to all NEO and directors is fair and reasonable and is consistent with the Company's compensation philosophy. The final decision upon compensation is made by the Board.

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board, the Audit Committee, and the NCCG Committee. The Audit Committee and the NCCG Committee reviews the Board committee structure on an annual basis and recommends to the Board any changes they consider necessary or desirable with respect to that committee structure, including (all in consultation with the Chair of the Board): (i) the mandates of each committee; (ii) the criteria for membership on any committee; (iii) the composition of each committee; (iv) the appointment and removal of members from any committee; (v) the operations of each committee, including the ability of any committee to delegate any or all of its responsibilities to a sub-committee of that committee; and (vi) the process for each committee reporting to the Board.

BUSINESS OF THE MEETING

Ratification of 2023 Equity Incentive Plan

On August 23, 2023, the Board approved the adoption of the 2023 Equity Incentive Plan (the "**2023 Plan**"), which was ratified and approved by the Shareholders on September 22, 2023. A copy of the 2014 Plan is attached as Schedule "A" to the notice and information circular dated August 23, 2023 and filed on SEDAR+ at www.sedarplus.ca on August 28, 2023. The TSXV requires listed companies that have a "rolling" stock option plan in place to receive Shareholder approval of such plan on a yearly basis at the Company's annual meeting. Accordingly, Shareholders will be asked at the Meeting to ratify and approve the 2023 Plan. The 2023 Plan complies with the current policies of the TSXV.

The 2023 Plan is a rolling plan for Options and a fixed plan for Performance-Based Awards (restricted share units, performance share units and deferred share units) such that the aggregate number of Common Shares that: (i) may be issued upon the exercise or settlement of Options granted under the 2023 Plan (and all of the

Company's other Security-Based Compensation Arrangements), will not exceed 10% of the Company's issued and outstanding Common Shares from time to time, such number being 7,357,780 as at November 27, 2024 and (ii) may be issued in respect of Performance-Based Awards granted under the 2023 Plan (and all of the Company's other Security-Based Compensation Arrangements) will not exceed 7,357,780. The 2023 Plan is considered an "evergreen" plan for the Options, since Options which have been exercised, cancelled, terminated, surrendered, forfeited or expired without being exercised will be available for subsequent grants under the 2023 Plan and the number of Options available to grant increases as the number of issued and outstanding Common Shares increases.

The purpose of the 2023 Plan is to advance the interests of the Company and its Shareholders by attracting, retaining and motivating selected directors, officers, employees, consultants and management company employees of the Company of high caliber and potential and to encourage and enable such persons to acquire an ownership interest in the Company.

A summary of the 2023 Plan is included in the information circular for the Company's 2023 annual general and special meeting. At the Meeting, Shareholders will be asked to approve the following ordinary resolution (the "**2023 Plan Resolution**"), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the 2023 Plan Resolution:

"RESOLVED, as an ordinary resolution of the shareholders of RepliCel Life Sciences Inc. (the "Company"), that:

1. The Company's 2023 Equity Incentive Plan (the "**2023 Plan**"), including the reservation for issuance under the 2023 Plan at any time of a maximum of 10% of the issued Common Shares of the Company for the issuance of stock options, be and is hereby ratified, confirmed and approved, subject to the acceptance of the 2023 Plan by the TSX Venture Exchange (the "**TSXV**");

2. The board of directors of the Company be authorized in its absolute discretion to administer the 2023 Plan and amend or modify the 2023 Plan in accordance with its terms and conditions and with the policies of the TSXV; and

3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the 2023 Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the 2023 Plan."

The form of the 2023 Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the 2023 Plan Resolution.

Management of the Company recommends that shareholders vote in favour of the 2023 Plan Resolution at the Meeting.

Sale of All or Substantially All of the Company's Assets

As announced on August 28, 2024, the Company and the Acquiror entered into the Purchase Agreement pursuant to which the Company agreed to sell the Purchased Assets and license the Patents Rights to the Acquiror for the Consideration. See "*Business of the Meeting – The Purchase Agreement – Purchase Price*".

Pursuant to Section 301(1) of the BCBCA, a company must not sell, lease or otherwise dispose of all or substantially all of its undertaking other than in the ordinary course of business unless it obtains the approval of its shareholders by way of a special resolution adopted by not less than 66⅔% of the votes cast at a meeting of shareholders.

As the Purchased Assets and Patent Rights constitute all or substantially all of the assets of RepliCel, the Transaction will constitute the sale of all or substantially all of the Company's undertaking for the purposes of the BCBCA. Accordingly, RepliCel is requesting Shareholders to pass the Disposition Resolution, a copy of which is attached as Appendix A to this Circular, approving the Transaction. To be adopted, the Disposition Resolution must be approved by: (i) not less than 66⅔% of the votes cast on the Resolution by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) not less than a simple majority of votes cast by the holders of Common Shares, present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes cast by any Interested Parties. See "*Business of the Meeting – Approval of the Resolution*" and "*Canadian Securities Law Matters – MI 61- 101*".

Background to the Transaction

The Purchase Agreement is the result of extensive negotiations between the Company, the Special Committee, the Board, the Acquiror and their respective representatives. The following is an overview of the context, process and negotiations leading to the execution and announcement of the Transaction.

In the ordinary course of business, the Board, with the assistance of the Company's management and advisors, continually reviews and assesses the Company's assets, and financial profile and business plans, and considers all available options that may be in the best interests of the Company and its Shareholders, including strategic transactions and other alternatives.

The Company's two main products are RCH-01 and DermaPrecise™. The Company has faced obstacles in respect of both products.

RCH-01

On May 29, 2013 the Company announced that it had entered into a Collaboration and Technology Development Transfer Framework Agreement (the "**Shiseido Agreement**") for an exclusive geographic license for RepliCel's RCH-01 hair regeneration technology. The Shiseido Agreement granted Shiseido an exclusive geographic license to use RepliCel's RCH-01 technology in Japan, China, South Korea, Taiwan and the ASEAN countries. Pursuant to the Shiseido Agreement, Shiseido paid RepliCel an upfront fee of ¥400,000,000. In addition, Shiseido agreed to pay RepliCel sales milestones up to ¥3,000,000,000. Shiseido was to responsible for all further development of the transferred technology within the above territories, and RepliCel was entitled to royalties on sales.

On July 21, 2016, the Company announced that its hair regeneration technology was cleared by the Japanese regulatory authorities for use in a clinical research study in Japan, to be financed and run by Shiseido.

Under the terms of the Shiseido Agreement, RepliCel was to pursue its own clinical trial for RCH-01, and any data generated by RepliCel through such trial was to be transferred to Shiseido. Due to financial constraints, RepliCel was not able to proceed with its own clinical trial. In September 2016, the Company announced that Shiseido alleged that RepliCel's failure to commence its clinical trial breached the Company's co-development obligations. The Company vigorously denied and opposed these allegations.

Shiseido completed the RCH-01 clinical study in 2019 and data from the randomized, double-blinded, placebo-controlled dose-finding clinical study involving 65 patients as published in the Journal for the American Academy of Dermatology (July 2020). While Shiseido was required by the terms of the Shiseido Agreement to make the clinical data produced in such study to the Company, Shiseido refused to do so. In 2020 Shiseido announced that it would be funding a second clinical study of RCH-01 in Japan testing the impact of a series of injections on areas of thinning hair due to androgenetic alopecia. It was expected that this study, if successful, would be the basis for a commercial launch of the product by Shiseido in Japan.

After several unsuccessful attempts to settle the dispute with Shiseido, on October 18, 2021 RepliCel announced that it filed an arbitration claim seeking Shiseido's full compliance with the Shiseido Agreement or return of the license and all collaboration data and innovations related to its cell therapy treatment for male and female pattern hair loss. On December 21, 2021, the Company announced that it had terminated the

Shiseido Agreement.

The arbitration took place in May 2023, and on October 16, 2023 the arbitration panel issued its final arbitration decision dismissing RepliCel's claims regarding Shiseido's actions under the Shiseido Agreement. The arbitration panel found that Shiseido validly terminated the Shiseido Agreement as of July 9, 2013.

The loss of the arbitration case against Shiseido left RepliCel without a clear path to commercialization and no credible path to secure funding in the Company's current form.

DermaPrecise™

In late 2022, RepliCel was informed by the Agency of Medical Innovations (AMI) that it would no longer conduct the planned regulatory testing due to AMI's acquisition by an investor group. Thus, RepliCel would be forced to find new vendors to submit the regulatory filings and manufacture the devices for regulatory testing. AMI did vow to complete the outstanding development work, mostly related to properly calibrating the injector device. RepliCel was able to engage with multiple North American entities to schedule regulatory testing upon completion of the development work at AMI. AMI required most of 2023 to complete the injector the device, the last remaining development work was to complete the electrical safety testing which was to be completed in January 2024. However, a subcontractor, Art of Technology, went bankrupt in December 2023. At this point, the project was stalled. RepliCel has since had multiple meetings with a North American entity which is a world renowned medical device developer, which will need to complete the safety testing and recommend additional development work and subsequently seek approval by the Food Drug Administration. Once funding is available, this entity would act as a developer, advise on regulatory issues, and engage with RepliCel to conduct commercial manufacturing prior to scaling to higher volumes.

Without any commercial products in the foreseeable future and no pathway to commercialization due to the Shiseido arbitration, in January 14, 2024, the Company formed a special committee of independent directors Gary Boddington, David Hall and Peter Lewis (the "**Special Committee**") to weigh all available options for the Company. The Special Committee then commenced a comprehensive review of the Company's strategic alternatives to assess the options that may be available to the Company. Between January 2024 and February 2024, the Special Committee approached two parties to gauge their interest in financing the Company or entering enter strategic partnerships. None of the approached parties expressed a desire to engage in discussions with the Company in regards to financing or strategic partnerships, and none of them were interested in entering into confidentiality and non-disclosure agreements with the Company.

In February 2024, the Company's President, Chief Executive Officer and director, Andrew Schutte, approached the Special Committee with a proposal to acquire the assets of the Company in exchange for a royalty on the future commercialization of the Company's RCH-01, the NBDS platform (RCT and RCS included), RCI-01 and DermaPrecise™ RCI-02 products. With no other options available and the risk of bankruptcy becoming more apparent, the Special Committee and its counsel Clark Wilson LLP entered into negotiations with Mr. Schutte on the terms of a potential transaction. On March 18, 2024, the Company announced it had entered into a non-binding letter of intent with the Acquiror, being a company owned by Mr. Schutte. Trading in the Company's Common Shares was halted as of that date, with trading resuming in October 2024.

On April 17, 2024, the Company announced that Mr. Schutte had provided the Company with a $1 million secured loan.

On April 10, 2024, the Acquiror provided the Special Committee with a draft of the Purchase Agreement and Royalty Agreement. The parties and their counsel entered into negotiations on the terms of such agreements, exchanging a number of drafts between them. On June 10, 2024, the Special Committee met to discuss the terms of the Purchase Agreement. On August 6, 2024, the Board convened to receive the Special Committee's report and thereafter, following further discussion on the key benefits and risks of the Transaction, including those noted under the heading "Reasons for the Transaction", and after consulting with its legal and advisors and following receipt of the recommendation of the Special Committee, the Board unanimously (with the exception of Mr. Schutte, who declared his interest in the transactions contemplated by the Purchase Agreement and abstained from voting in respect thereof) (a) concluded that the Transaction is in the best interests of the

Company; (b) approved the Transaction, the entering into of the Purchase Agreement and related matters; and (c) determined to recommend Shareholders vote in favour of the Transaction.

On August 28, 2024 the Company issued a press release announcing that it had entered into the Purchase Agreement.

Recommendation of the Special Committee

The Special Committee, after consultation with RepliCel management and receipt of advice of its legal advisors and after careful consideration of a number of alternatives and factors including the factors set out below under the heading "Reasons for the Transaction", unanimously determined that the Transaction is in the best interests of the Company and recommended that the Board approve the Transaction and that the Board recommend that the Shareholders vote in favour of the Disposition Resolution.

Recommendation of the Board

The Board, after consultation with RepliCel management and receipt of advice of its legal advisors, and after careful consideration of a number of alternatives and factors including, among others, the receipt of the unanimous recommendation of the Special Committee and the factors set out below under the heading "Reasons for the Transaction", unanimously (with the exception of Mr. Schutte, who declared his interest in the transactions contemplated by the Purchase Agreement and abstained from voting in respect thereof) determined that the Transaction is in the best interests of the Company. **Accordingly, the Board unanimously (with the exception of Mr. Schutte, who declared his interest in the transactions contemplated by the Purchase Agreement and abstained from voting in respect thereof) recommends that Shareholders vote "FOR" the Disposition Resolution.**

Reasons for the Transaction

In making their respective conclusions and recommendations regarding the Transaction, each of the Special Committee and the Board carefully considered all aspects of the Transaction and received the benefit of advice from their respective financial and legal advisors, and the conclusions and recommendations of the Special Committee and the Board were made after considering the totality of the information and factors considered. In particular, in unanimously determining that the Transaction is in the best interests of the Company and that the Consideration is fair, from a financial point of view, to the Company and the Shareholders, taking into account the relevant stakeholders thereof, and recommending to the Shareholders that they approve the Transaction, the Special Committee and the Board considered and relied upon a number of factors, including, among others, the following:

(a) **Future Opportunity to Retain Exposure**. The Company retains the ability to benefit from the future commercialization of the Products through the Royalty. In addition, if the Acquiror sells any of the Products the Company will receive 75% of such sale proceeds (the "**Sale Fee**"). The Royalty and Sale Fee are subject to an aggregate maximum of US$178,114,732.

(b) **RepliCel's Financial Situation**. As of June 30, 2024, the Company had minimal cash on hand, total assets of only approximately CDN$175,000, total liabilities of approximately CDN$5.1 million, of which approximately CDN$2.1 million were current liabilities. The Company has no cash flow expectations in the short, medium or long term and faces a lack of available financing options. The risk of having to declare bankruptcy due to the funding shortfall led the Board to analyze all current available alternatives. Faced with cash flow issues that could affect the ability of RepliCel to meet its financial obligations as they become due, the Board felt that the best option to protect shareholder value was to enter into the Purchase Agreement. Since the arbitration, Mr. Schutte's loan has been the sole source of funds for Replicel. No other parties have engaged RepliCel with any substantive in an equity or strategic investment.

(c) **Substantial Reduction in Operating Costs**. RepliCel's cost structure is directly related to the company remaining a publicly traded entity. The annual public company maintenance costs, including

those for auditors, directors and officers insurance, direct TSXV listing costs and indirect costs related to TSXV compliance, including securities lawyers and transfer agent costs, are estimated at approximately $385,000. These costs, which currently provide no direct commercial value to the Company, would be greatly reduced under the current acquisition proposal. The Company believes the cost savings will be material and will allow for more funds to be available for shareholders.

(d) **Negotiated Transaction**. The Purchase Agreement is the result of an arm's length negotiation process and includes terms and conditions that are reasonable in the circumstances and has been unanimously (with Mr. Schutte abstaining) approved by the Board.

(e) **Shareholders' Approval**. The required Shareholders' approvals are protective of the rights of Shareholders. The Disposition Resolution must be approved by at least 66⅔% of the votes cast by Shareholders at the Meeting and by at least a majority of the votes cast on the Disposition Resolution by the minority Shareholders present in person or by proxy and entitled to vote at the Meeting.

(f) **Dissent Rights**. Registered Shareholders who do not vote in favour of the Transaction will have the right to require a judicial appraisal of their Common Shares and obtain "fair value" pursuant to the proper exercise of the dissent rights.

(g) **Evaluation and Analysis**. The Board has given consideration to the business, operations, assets and prospects for the Company.

(h) **No Other Strategic Alternative**. The Transaction is the result of a comprehensive strategic review process conducted by the Special Committee. Both prior to and throughout the negotiations of the terms of the Purchase Agreement with the Acquiror, the Board, with the assistance of its advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of the Company, as well as their collective knowledge of the current and prospective environment in which the Company operates (including economic and market conditions), assessed the relative benefits and risks of various alternatives reasonably available to the Company. The Board assessed each reasonably available alternative throughout the process of evaluating and negotiating the Purchase Agreement and the Board and the Special Committee ultimately concluded that entering into the Purchase Agreement was the most favourable alternative reasonably available. While the Company has actively pursued different financing sources and evaluated different potential proposals, the adverse arbitration decision involving the Shiseido Agreement has contributed to these alternatives being unsuccessful. The Board believes that the Company has pursued all reasonable alternatives to raise capital for the Company at this time. The Board does not believe that the Company would be able to find another potential investor or acquirer. Accordingly, the Board believes that no other strategic alternative is currently available to the Company, and If the proposed Transaction is not approved, the Board will likely be forced to place the Company into receivership or bankruptcy.

(i) **Elimination of Indebtedness**. As a result of entering into the Purchase Agreement, the Company was able to negotiate settlement and conversion terms with the holders of its Class A Preference Shares, which eliminated what was an approximately CDN$800,000 current liability on the Company's balance sheet. Upon completion of the Transaction, the Acquiror will assume all of the Company's liabilities under the agreements with YOFOTO (China) Health Industry Co. Ltd., thus eliminating all significant indebtedness of the Company and its subsidiaries, including, but not limited to deferred and contingent consideration.

(j) **Likelihood of Closing**. The Special Committee and the Board believe that there is a high likelihood that the conditions precedent to the completion of the Transaction will be satisfied.

(k) **Reasonable Completion Time**. The Special Committee and the Board believes that the Transaction is likely to be completed in accordance with the terms of the Purchase Agreement and within a reasonable time, with Closing currently anticipated to occur in January 2025.

(l) **Procedural Protections**. The Transaction is subject to a number of procedural protections under MI

61-101, including the requirement for approval of a "majority of the minority" vote of the Shareholders in accordance with MI 61-101, in addition to approval by not less than two-thirds (66⅔%) of the votes cast by Shareholders.

(m) **Other Factors**. The Board also carefully considered the terms of the Purchase Agreement and proposed Transaction, current economics, industry and market trends affecting RepliCel in its market, and information concerning the business, operations, assets, financial condition, operating results and prospects of RepliCel.

In the course of its deliberations, the Special Committee and the Board also identified and considered a variety of risks (as described in greater detail under "*Risk Factors*") and potentially negative factors relating to the Transaction without limitation, the following:

- If the Transaction is successfully completed, the Company will no longer have any ongoing business operations and Shareholders will be unable to participate in the potential longer-term benefits of the business.

- The potential negative effect of the pendency of the Transaction on the Company's business, including its relationships with third parties.

- The fact that the Company has incurred and will continue to incur significant transaction costs and expenses in connection with the Transaction, regardless of whether the Transaction is completed.

- The limitations contained in the Purchase Agreement on the Company's ability to solicit alternative transactions from third parties.

- The conditions to the Acquiror's obligation to complete the Transaction and the Acquiror's rights to terminate the Purchase Agreement in certain circumstances.

- The restrictions imposed pursuant to the Purchase Agreement on the conduct of the Company's business during the period between the execution of the Purchase Agreement and the consummation of the Transaction or the termination of the Purchase Agreement.

- Other risks associated with the parties' ability to complete the Transaction.

The Special Committee and the Board believes that, overall, the anticipated benefits of the Transaction to the Company outweigh these risks and negative factors. The reasons of the Special Committee and the Board for recommending the Transaction include certain assumptions relating to forward-looking information, and such information and assumptions are subject to certain risks. See "*Cautionary Statement Regarding Forward-Looking Information*" and "*Risk Factors*" in this Circular.

The foregoing summaries of the information and factors considered by the Special Committee and the Board are not intended to be exhaustive, but includes material information and factors considered by the Special Committee and the Board in their consideration of the Transaction. In view of the wide variety of factors considered in connection with its evaluation of the terms of the Transaction and the complexity of these matters, the Special Committee and the Board did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to these factors. In addition, individual members of the Special Committee and Board and individual Shareholders considering the Transaction may give different weight to different factors.

The Board (with the exception of Mr. Schutte, who declared his interest in the transactions contemplated by the Purchase Agreement and abstained from voting in respect thereof) unanimously recommended support for the Transaction. The process of evaluating the Transaction was overseen by the Special Committee, which is comprised of members of the Board who are not members of management and are independent directors within the meaning ascribed to such term in National Instrument 52-110. The members of the Special Committee met regularly with its legal advisors and members of management throughout the process of

negotiating the Purchase Agreement.

IN LIGHT OF THE FOREGOING, THE BOARD UNANIMOUSLY (WITH THE EXCEPTION OF MR. SCHUTTE, WHO DECLARED HIS INTEREST IN THE TRANSACTIONS CONTEMPLATED BY THE PURCHASE AGREEMENT AND ABSTAINED FROM VOTING IN RESPECT THEREOF) RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE APPROVAL OF THE DISPOSITION RESOLUTION.

To be adopted, the Disposition Resolution must be approved by: (i) not less than 66⅔% of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) not less than a simple majority of votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes cast by any Interested Parties.

The Acquiror's Plan for the Products

After the arbitration decision, RepliCel has been forced to change plans. Given the need to change device development vendors since AMI's buyout, and the inability to commercialize RCH-01 in Japan until the expiry of Shiseido's license in 2033, any change of plans will require millions of dollars to implement, and these changes will require years of time. RepliCel has struggled to raise funds, and Andrew Schutte has been the only financial contributor since the arbitration decision.

The Acquiror's initial focus will be on the development of two products – DermaPrecise™ and RCH-01. DermaPrecise™ development will be the primary focus, as it is the product closest to revenue and a necessary pre-cursor for the RCH-01 product. As part of the Acquiror's ongoing cost saving efforts, RCT-01 and RCS-01 will be deprioritized until revenue from DermaPrecise™ and RCH-01 is achieved. DermaPrecise™ is a dermal injector designed to provide a more uniform distribution of the injectable substance. A uniform distribution of the injectable substance would bring the precision of a well-trained clinician into a broad commercial setting. The Acquiror intends to pursue an injectable to treat alopecia areata. RCH-01, which was the subject of the relationship with Shiseido, has been RepliCel's focal point since its inception. RCH-01 is an autologous cell therapy utilizing dermal sheath cup (DSC) cells isolated from the hair follicle to treat androgenetic alopecia. The Acquiror intends to conduct additional research into RCH-01, including related to the development of quality control processes aimed at ensuring the most clinically effective cell population. Research will focus on developing automated and semi-automated manufacturing steps which have the potential to reduce the need for expensive reagents and infrastructure, thus cutting costs.

The Acquiror has arranged funding for the initial development of DermaPrecise™, which funding is expected to take the form of equity investment and funds derived from the Acquiror's other business interests. Furthermore, the Acquiror will assume RepliCel's rights and obligations under its collaborations and partnerships, including the RCH-01 research collaboration with the University of Victoria, for which a series of grants have been awarded.

Effects on the Company if the Transaction is Not Completed

If the Disposition Resolution is not approved by Shareholders or if the Transaction is not completed for any other reason, the Company will remain a reporting issuer and the Common Shares will continue to be listed on the TSXV. If the proposed Transaction is not approved, the Board will likely be forced to place the Company into receivership or bankruptcy. See "*Risk Factors – Risk Factors Relating to the Transaction*".

Interests of Certain Persons in the Transaction

In considering the Transaction, Shareholders should be aware that certain directors and executive officers of the Company have interests in connection with the Transaction and the Purchase Agreement that may present them with actual or potential conflicts of interest. The Board and the Special Committee are aware of these interests and considered them along with other matters described above under "*Business of the Meeting – Reasons for the Transaction*", "*Risk Factors*" and "*Canadian Securities Law Matters – MI 61-101*". These interests and benefits are described below.

Except as otherwise disclosed below or elsewhere in this Circular, no director, or executive officer of the Company, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

It is expected that certain executive officers of RepliCel, being Andrew Schutte, Ben Austring, David Kwok, Gary Boddington and Dr. Kevin McElwee (the "**Continuing Officers**") will enter into employment agreements with the Acquiror after the Closing. These agreements are expected to be substantially similar to the contracts which the Continuing Officers currently have in place with RepliCel. Following the completion and independent of the Transaction, it is anticipated that the Aquiror will utilize a combination of both fixed and variable compensation to motivate executives to achieve overall corporate goals. The Acquiror will implement a compensation structure intended to align the interests of the Continuing Officers with those of the Acquiror, specifically the commercialization of the Products. The elements of the Acquiror's executive compensation program are expected to include: (a) an annual base salary, (b) short term incentive awards, and (c) equity ownership in the Acquiror. It is expected that Messrs. Austring, Kwok, Boddington and McElwee will, together, hold approximately 22% of the equity of the Acquiror, with the remainder of the equity interest in the Acquiror being held by Mr. Schutte.

The following table sets out for each Continuing Officer the number of Common Shares, options to acquire Common Shares and warrants to purchase Common Shares, beneficially owned, directly or indirectly, by such director and officer and its associates or affiliates, as of the Record Date.

Name	Common Shares	Options	Warrants
Andrew Schutte	19,370,227	1,155,000	6,744,776
Ben Austring	320,500	670,000	-
David Kwok	-	150,000	-
Gary Boddington	314,815	325,000	50,000
Dr. Kevin McElwee	1,329,245	600,000	-

See "*Canadian Securities Law Matters – MI 61-101" and "Interests of Certain Persons in Matters to be Acted Upon*".

The Purchase Agreement and Royalty Agreement

On August 6, 2024, RepliCel and the Acquiror entered into the Purchase Agreement, which sets out, among other things, the terms and conditions upon which (i) the Company agreed to sell, and the Acquiror agreed to purchase, the Purchased Assets, and (ii) the Company agreed to grant the Acquiror a license over the Patent Rights. As provided by the Purchase Agreement, the Closing is subject to the approval of the Shareholders, TSXV acceptance, the satisfaction of all third party consents and regulatory approvals and the fulfilment of certain conditions, and is currently expected to occur in October 2024.

The following summarizes the material provisions of the Purchase Agreement and Royalty Agreement. This summary may not contain all of the information about the Purchase Agreement and Royalty Agreement that is important to Shareholders. The rights and obligations of the parties to the Purchase Agreement and Royalty Agreement are governed by the express terms and conditions of the Purchase Agreement and Royalty Agreement and not by this summary or any other information contained in this Circular.

In reviewing the Purchase Agreement and Royalty Agreement and this summary, please remember that the following summary has been included to provide Shareholders with information regarding the terms of the Purchase Agreement and Royalty Agreement and is not intended to provide any other factual information about RepliCel or the Acquiror. The Purchase Agreement contains representations and warranties and covenants by each of the parties thereto, which are summarized below.

The following is a summary of the principal terms of the Purchase Agreement and Royalty Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement and Royalty Agreement. A copy of the Purchase Agreement been filed under the Company's profile at www.sedarplus.com, and the form of Royalty Agreement is a schedule to the Purchase Agreement. Shareholders are encouraged to read the Purchase Agreement and Royalty Agreement carefully in their entirety.

Purchased Assets

The "Purchased Assets" include all of RepliCel's assets used or useful in connection with its business, including, Know-How, software, servers, server data, hardware, engineering and assembly designs and drawings, regulatory materials, manufacturing, inspection and operating procedures, digital assets and Intellectual Property (other than the Patent Rights), including but not limited the rights to use the name "RepliCel" and parts thereof, and scientific collaborations and partnerships, including RepliCel's collaborations and partnerships with the University of Victoria, MainPointe Pharmaceuticals, LLC and YOFOTO (China) Health Industry Co. Ltd.

License

The License will become effective as of the Closing and will continue in perpetuity until the earlier of (the "**License Term**"):

(i) expiration of the last Patent Rights to expire;

(ii) the date the Patent Rights are assigned, transferred or conveyed to the Acquiror pursuant to the terms of the Purchase Agreement; and

(iii) termination by the mutual written consent of the Parties.

After the Closing, the Acquiror will be solely responsible for preparing, filing, prosecuting, and maintaining all patent rights with respect to the Patent Rights (including responsibility for all costs related thereto). Further, the Acquiror will be responsible for dealing with any infringement matters involving the Patent Rights.

The Acquiror may request that RepliCel assign, transfer and convey to the Acquiror, for no additional consideration, all right, title and interest in and to the Patent Rights.

The Acquiror's rights to sublicense and transfer the rights under the License are subject to the prior written approval of RepliCel (such approval to be provided on a timely basis and not to be unreasonably withheld) and compliance with requirements specified by RepliCel.

Royalty and Sale Fee

The parties will enter into the Royalty Agreement at Closing.

The Acquiror will pay to RepliCel a running royalty equal to 8% of Gross Profits for Products sold by the Acquiror or its sublicensees (the "**Royalty**"). If the Acquiror sells or transfers any of the Purchased Assets or the License for cash consideration, the Acquiror will pay RepliCel 75% percent of the cash consideration (the "**Sale Fee**"). The Royalty is to be paid on an annual basis after the Acquiror's first sale of a Product. The Acquiror will also provide a report to the RepliCel on an annual basis, detailing the Products sold and the Royalty calculation.

Gross Profits in the Royalty Agreement are defined as follows:

(i) revenues earned by the Acquiror, its Subsidiaries or their licensees from the sale or licensing of the Products, less,

(ii) the actual direct costs and expenses incurred by the Acquiror, its Subsidiaries or their licensees to manufacture or have manufactured the Products, in each case, including: (A) the costs of acquiring or manufacturing raw materials, if any, and (B) fees paid to contract manufacturers, but excluding (C) marketing expenses, general corporate overhead and financing costs.

If a Product is transferred between persons for use by a person and the Product is consumed or used and is not incorporated into a Product subsequently sold to a third party customer, then the revenues from such non-arm's length transaction will be the greater of (i) the actual amount charged for the transfer of the Product between persons; and (ii) what the fair market value of the Product would be in an arm's-length transaction.

For clarity, the Gross Profits are those costs directly related to the manufacture of the Products. They do not include salaries, Intellectual Property costs or any general and administrative costs. While Gross Profits are calculated with reference to direct manufacturing costs, the Acquiror will be paying all costs associated with commercializing the Products, including all obligations assumed by the Acquiror under agreements with MainPointe Pharmaceuticals, LLC and YOFOTO (China) Health Industry Co. Ltd. The Acquiror is obligated to pay the 8% Royalty on Gross Profits; however, such Royalty will represent a larger percentage of the Acquiror's net income, which will be impacted by the costs the Acquiror is obligated to pay. Thus, the Acquiror's net income will be reduced by both the costs associated with commercializing the Products and the Royalty.

The total aggregate amount paid or payable by the Acquiror to RepliCel in respect of the Royalty and Sale Fee, taken together, will not exceed an amount equal to the aggregate value of the Common Shares, calculated on a fully diluted basis, each at a deemed price of US$2.00 per Common Share (the "**Royalty and Sale Fee Cap**"), which fully diluted number will, for greater certainty, assume the due conversion or exercise, as applicable, into Common Shares of: (a) all outstanding options to acquire Common Shares; and (b) all outstanding warrants to purchase Common Shares, in each case as is outstanding as of the Closing. As a result of the RepliCel Class A Preference Share Amendment, a total of 8,576,247 Common Shares were issued on November 26, 2024. The foregoing will result in a fully diluted share number of 89,057,366 RepliCel Common Shares, and a Royalty and Sale Fee Cap of US$178,114,732. To the extent options or warrants expire unexercised, the Royalty and Sale Fee Cap will be adjusted downward accordingly.

If the Acquiror transfers any of the Purchased Assets or the License, it has agreed to require that the transferee agree to comply with the terms of the Royalty Agreement.

Dividend Determination and Payment

After receiving funds under the Royalty Agreement, RepliCel will calculate the resulting earnings after tax. Subject to the application of the solvency test set forth in section 70(2) of the BCBCA and the Board complying with its fiduciary duties, within 90 days of receiving funds from the Acquiror RepliCel will declare a dividend on the Common Shares. The aggregate amount of such dividend will be the applicable earnings after tax less (i) such amounts as are to be retained by RepliCel in respect of outstanding options and warrants to acquire Common Shares, and (ii) amounts required to repay the Acquiror Loan.

RepliCel Options and Warrants

As of the date of this Circular, there are 4,095,000 options to acquire Common Shares outstanding with expiry dates ranging from January 26, 2026 to May 8, 2028, and 11,384,559 warrants to purchase Common Shares outstanding with expiry dates ranging from May 4, 2025 to March 14, 2027. If while any of such options and warrants are outstanding RepliCel pays a dividend on its Common Shares resulting from the payment by the Acquiror of the Royalty or Sale Fee, RepliCel will retain sufficient cash so that it can pay to holders of options and warrants, if such options and warrants are later exercised, a cash amount per option and warrant equivalent to the per share dividend amount that was paid to Shareholders.

Secured Loan from the Acquiror

The Acquiror has agreed to loan funds to RepliCel to fund the Company's general and administrative expenses, and in particular its expenses as a reporting issuer under Canadian securities laws (the "**Acquiror Loan**"). At

Closing, the Acquiror will advance $50,000 to RepliCel (less RepliCel's cash then on hand) as the initial Acquiror Loan as a secured, interest-free loan with a maturity date of five years after Closing. The Acquiror will advance up to an additional $50,000 to RepliCel on each anniversary of Closing until the earlier of (i) the repayment of the Acquiror Loan commences, or (ii) an Acquiror Disposition Event occurs.

If RepliCel experiences an Extraordinary Cost, the Acquiror will advance up to an additional $100,000 to RepliCel (the "**Extraordinary Cost Loan Amount**") to fund the Extraordinary Cost.

RepliCel has agreed that once RepliCel has received USD$20 million in payments under the Royalty Agreement, subsequent funds received by RepliCel under the Royalty Agreement will first be used to repay the Acquiror Loan and the Extraordinary Cost Loan Amount, and RepliCel will fund its own general and administrative expenses by retaining funds received under the Royalty Agreement.

On April 17, 2024, the Company announced that Mr. Schutte had provided the Company with a $1 million secured loan. As of the date of this Circular, the Company has drawn down $490,505 on this loan, and the maturity date has been extended to January 31, 2025. If the Transaction is completed, this existing loan will combined with the Acquiror Loan.

RepliCel Class A Preference Share Amendment

As a result of the Transaction, RepliCel was able to propose to amend the terms of the RepliCel Class A Preference Shares pursuant to the RepliCel Class A Preference Share Amendment. Pursuant to the terms of the RepliCel Class A Preference Shares, in September 2024 RepliCel would have been required to redeem the RepliCel Class A Preference Shares for cash. The holders of RepliCel Class A Preference Shares agreed to convert the Company's redemption obligation, as well as the accrued dividend on RepliCel Class A Preference Shares, into a total of 8,576,247 Common Shares, which were issued to the holders of RepliCel Class A Preference Shares on November 26, 2024. As a result of the RepliCel Class A Preference Share Amendment, there are no RepliCel Class A Preference Shares outstanding.

Representations, Warranties and Covenants

The Purchase Agreement contains customary representations, warranties and covenants made by the Company and the Acquiror. These representations, warranties and covenants were made by and to the parties thereto as set out in the Purchase Agreement and are subject to the limitations and qualifications agreed to by the parties in connection with negotiating and entering into the Purchase Agreement. Such representations, warranties and covenants have been made solely for the benefit of the parties to the Purchase Agreement as set out therein, and (i) are not intended as statements of fact to be relied upon by third parties, but rather as a way of allocating the risk to one of the parties to the Purchase Agreement should such any such representations, warranties or covenants prove to be inaccurate; and (ii) may apply standards of materiality in a way that is different from what may be viewed as material by Shareholders or other investors, or may be qualified by reference to materiality thresholds. In addition, certain representations and warranties were made as of specified dates, and information concerning the subject matter of the representations and warranties may have changed since the date of the Purchase Agreement. Accordingly, the representations, warranties, covenants and other provisions of the Purchase Agreement should not be read alone, but instead should be read together with the information provided elsewhere in this Circular.

The representations and warranties made by the Company and the Acquiror are customary for transactions of this nature negotiated between sophisticated purchasers and sellers, certain of which are qualified as to materiality and knowledge and subject to reasonable exceptions. Such representations and warranties made by the Company in favour of the Acquiror relate to, among other things: organization and authority; capitalization; indebtedness; no violation or conflict; absence of certain developments; compliance with laws; title assets and the absence of encumbrances; intellectual property and title thereto; contracts; litigation and governmental proceedings; accuracy of information provided; brokers' fees; and disclosure matters. The Purchase Agreement also contains certain customary representations and warranties provided by the Acquiror to the Company and relating to, among other things: organization and authority; no violation or conflict; and litigation.

Covenants

The Company and the Acquiror are both required to conduct their businesses and operations in the ordinary course. The Company will keep the Acquiror promptly apprised of all material developments relating to the Company's business.

The Company has also agreed to certain additional negative and affirmative customary covenants relating to the conduct of business, including covenants related to the amendment of the Company's constating documents and capital issuances and reorganizations.

Each of the Company and the Acquiror has agreed to take all such actions as are within its power to control and use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the applicable conditions in the Purchase Agreement.

No Shop

Until October 15, 2024, RepliCel will not, nor will RepliCel permit any of its directors, officers, employees, representatives or agents directly or indirectly to, solicit or accept any offer for the purchase of outstanding securities of RepliCel or the business or the assets of RepliCel, or take any other action that would reasonably be expected to lead to any commitment or agreement to sell RepliCel or the business or the assets of RepliCel, or any other transaction which would be inconsistent with the Transaction. In addition, RepliCel has agreed that during such period, no access will be given to any third party to any of RepliCel's premises, to any confidential information or any other information relating to RepliCel for the purpose of enabling that third party to make a determination as to whether to enter into a transaction with RepliCel or other persons that would be inconsistent with the Transaction.

Assignment and Assumption

As of Closing, the Acquiror will assume all of RepliCel's rights, obligations, liabilities and interests in the agreements entered into by RepliCel with MainPointe Pharmaceuticals, LLC and YOFOTO (China) Health Industry Co. Ltd.

Name Change

RepliCel has agreed that as of the Closing it will change its name to its numbered company name. After Closing RepliCel will not use the words "RepliCel" or any part thereof or any similar words.

Indemnity

The Acquiror has agreed indemnify and hold RepliCel harmless with respect to any losses arising out of any claims or actions brought by third parties against a RepliCel or its directors, officers or employees on account of any injury or death of persons, damage to property, or any other damage or loss to the extent such losses arise directly or indirectly out of the Acquiror's use of the Patent Rights (including, without limitation, manufacture, sale or use of products related to the Patent Rights).

Conditions Precedent to Closing

Mutual Conditions Precedent to Closing

The obligations of each of the Company and the Acquiror to complete the Closing is subject to the satisfaction, prior to or at the Closing, of the following conditions, which may only be waived, in whole or in part, by the mutual consent of each of the parties to the Purchase Agreement:

(a) the Disposition Resolution and Delisting Resolution will each have been approved and adopted by Shareholders at the Meeting;

(b) no law is in effect that makes the consummation of the Transaction illegal or otherwise prohibits or enjoins RepliCel or the Acquiror from consummating the Transaction;

(c) each regulatory approval necessary to consummate the Transaction, and all necessary approvals of the TSXV, as applicable, has been made, given or obtained on terms acceptable to RepliCel and the Acquiror, each acting reasonably, and each such Regulatory Approval is in force and has not been modified;

(d) the TSXV will have given final acceptance of the Voluntary Delisting;

(e) the parties will have entered into the Royalty Agreement and the Parties will have made arrangements to file short-form assignments in respect of registered trademarks of RepliCel that are being assigned to the Acquiror; and

(f) there will not have occurred a material adverse effect with respect to RepliCel or the Acquiror.

Acquiror's Conditions Precedent to Closing

The obligation of the Acquiror to complete the Closing is subject to the satisfaction, prior to or at the Closing of the following conditions for the exclusive benefit of the Acquiror, which may only be waived, in whole or in part, by the Acquiror in its sole discretion:

(a) dissent rights in connection with the Disposition Resolution not exceeding 3% of the aggregate of the issued and outstanding Common Shares and RepliCel Class A Preference Shares (if any);

(b) the accuracy of the Company's representations and warranties and the Company having executed and delivered a certificate of an officer to that effect;

(c) the Company having fulfilled or complied, in all material respects, with all covenants contained in the Purchase Agreement and the Company having executed and delivered a certificate to that effect;

(d) the Company having delivered to the Acquiror a certified copy of each of final scrutineer's report for the Meeting with respect to the approval by the Shareholders, as applicable, of the Disposition Resolution and Delisting Resolution; and

(e) the RepliCel Class A Preference Share Amendment having been completed on terms satisfactory to the Acquiror.

Company's Conditions Precedent to Closing

The obligation of the Company to complete the Closing is subject to the satisfaction, prior to or at the Closing, of the following conditions for the exclusive benefit of the Company, which may only be waived, in whole or in part, by both the Company in its sole discretion:

(a) the accuracy of the Acquiror's representations and warranties and the Acquiror having executed and delivered a certificate of an officer to that effect; and

(b) the Acquiror having fulfilled or complied, in all material respects, with all covenants contained in the Purchase Agreement and the Acquiror having executed and delivered a certificate to that effect.

<u>Termination</u>

The Purchase Agreement may be terminated at any time prior to the Closing:

(a) by mutual consent of the parties;

(b) by either the Company or the Acquiror if:

(c) the approval of Shareholders of all matters to be considered at the Meeting, is not obtained;

(d) any law is enacted that makes the consummation of the Transaction illegal or otherwise permanently prohibits the consummation of the Transaction; or

(e) the Closing has not occurred prior to October 15, 2024, provided that a party may not terminate pursuant to right if the failure to Close has been caused by such party or results from breach by such party of any of its representations, warranties or covenants under the Purchase Agreement;

(f) by the Company if a breach of any representation, warranty or covenant by the Acquiror occurs that would cause the corresponding closing condition not to be satisfied, and such breach or failure is not cured by October 15, 2024; provided that the Company is not then in breach of the Purchase Agreement so as to cause certain closing condition in the Acquiror's favour not to be satisfied; or

(g) by the Acquiror if a breach of any representation, warranty or covenant by the Company occurs that would cause the corresponding closing condition not to be satisfied, and such breach or failure is not cured by October 15, 2024; provided that the Acquiror is not then in breach of the Purchase Agreement so as to cause certain closing condition in the Company's favour not to be satisfied.

The Royalty Agreement will be terminated in the following circumstances:

(a) if the Royalty and Sale Fee Cap is reached; or

(b) if the Acquiror (i) exercises its rights to undertake an Acquiror Disposition Event, or (ii) becomes subject to an Acquiror Disposition Event which the Acquiror is unable to remedy within 180 days of the Acquiror becoming aware of such Acquiror Disposition Event.

Approval of the Disposition Resolution

At the Meeting, Shareholders will be asked to approve the Disposition Resolution, the full text of which is set out in Appendix A to this Circular. In order for the Transaction to be completed, the Disposition Resolution must be approved by: (i) not less than 66⅔% of the votes cast on the Disposition Resolution by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) not less than a simple majority of votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes cast by any Interested Parties. Abstentions and broker non-votes will not have any effect on the approval of the Disposition Resolution. Should Shareholders fail to approve the Disposition Resolution by the requisite majority, the Transaction will not be completed. Notwithstanding the foregoing, the Disposition Resolution authorizes the Board, without further notice to or approval of Shareholders, to amend the Purchase Agreement or to not proceed with the transactions contemplated thereby at any time prior to the Closing, subject to the terms of the Purchase Agreement. The Disposition Resolution is subject to the minority approval requirement of MI 61-101 and the policies of the TSXV. See "*Canadian Securities Law Matters – MI 61-101*".

After consulting with RepliCel management and receiving advice and assistance of its legal advisors, and after careful consideration of a number of alternatives and factors, including, among others, receipt of the unanimous recommendation from the Special Committee and the factors set out under the heading "*Business of the Meeting – Reasons for the Transaction*", the Board unanimously (with the exception of Mr. Schutte, who declared his interest in the transactions contemplated by the Purchase Agreement and abstained from voting in respect thereof) determined that the Transaction is in the best interests of RepliCel and recommend that Shareholders vote "FOR" the Disposition Resolution.

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote "FOR" the approval of the Disposition Resolution as disclosed in this Circular. If you do not specify how you want your Common Shares to be voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting "FOR" the Disposition Resolution.

Dissent Rights

Registered Shareholders as at the close of business on the Record Date may exercise Dissent Rights with respect to the Disposition Resolution pursuant to and in the manner set forth under Sections 237 to 247 of the BCBCA. Registered Shareholders who wish to dissent should be aware that for their dissent to be valid, they must comply strictly with the applicable dissent procedures.

Dissent Rights with Respect to the Disposition Resolution for Registered Shareholders

As indicated in the Notice of Meeting, any Registered Shareholder as of the Record Date is entitled to be paid the fair value of the Common Shares held by such holder in accordance with Section 245 of the BCBCA if such holder duly and validly exercises Dissent Rights and the Transaction is completed.

Anyone who is a Non-Registered Shareholder of Common Shares registered in the name of an intermediary and who wishes to dissent should be aware that only Registered Shareholders as of the Record Date are entitled to exercise Dissent Rights. A Registered Shareholder who holds Common Shares as an intermediary for one or more beneficial owners, one or more of whom wish to exercise Dissent Rights, must exercise such Dissent Rights on behalf of such holder(s). In such case, the Notice of Dissent (described below) should specify the number of Common Shares held by the intermediary for such Non-Registered Shareholder. A Dissenting Shareholder may dissent only with respect to all, but not less than all, of the Common Shares held on behalf of any one Non-Registered Shareholder and registered in the name of the Dissenting Shareholder.

The following description of the right to dissent to which Registered Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Common Shares and is qualified in its entirety by reference to Sections 237 to 247 of the BCBCA, which are attached to this Circular as Appendix C. A Registered Shareholder who intends to exercise the Dissent Rights should carefully consider and strictly comply with the provisions of Sections 237 to 247 of the BCBCA and seek independent legal advice. Failure to comply strictly with the provisions of Sections 237 to 247 of the BCBCA, and to adhere to the procedures established therein, may result in the loss of any Dissent Right.

Sections 237 to 247 of the BCBCA

Section 238 of the BCBCA provides a dissenting shareholder with the right to dissent from certain resolutions of a company which effect extraordinary corporate transactions or fundamental corporate changes. Sections 238(1)(e) and 301(5) of the BCBCA provide Registered Shareholders with the right to dissent from the Disposition Resolution pursuant to Division 2 of Part 8 of the BCBCA. Any Registered Shareholder who duly and validly exercises Dissent Rights in respect of the Disposition Resolution in strict compliance with Sections 237 to 247 of the BCBCA will be entitled, in the event that the Transaction becomes effective, to be paid by the Company the fair value of the Common Shares held by the Dissenting Shareholder as determined as at the point in time immediately before the Disposition Resolution is adopted by the Shareholders.

A Dissenting Shareholder must dissent with respect to all, but not less than all, of the Common Shares in which the holder owns a beneficial interest. A Registered Shareholder who wishes to dissent must: (a) deliver a written notice of dissent (a "**Notice of Dissent**") to RepliCel c/o Clark Wilson LLP, 885 W Georgia St #900, Vancouver, BC V6C 3H1, Attention: Mauro Palumbo, by 5:00 p.m. on December 28, 2024, being the date that is two days immediately prior to the Meeting, or any date which is two days immediately prior to the date on which the Meeting may be postponed or adjourned; and (b) otherwise strictly comply with the requirements of Sections 237 to 247 of the BCBCA, including as described below. Any failure by a Registered Shareholder to strictly comply with such requirements may result in the loss of that holder's Dissent Rights.

Non-Registered Shareholders who wish to exercise Dissent Rights must arrange for the Registered Shareholder holding their Common Shares to deliver the Notice of Dissent. A Registered Shareholder, such as a broker, who holds Common Shares as nominee for Non-Registered Shareholders, some of whom wish to dissent, must exercise the Dissent Rights on behalf of such Non-Registered Shareholders with respect to all of the Common Shares held for such Non-Registered Shareholders. In such case, the demand for dissent should set out the

number of Common Shares covered by it.

The exercise of Dissent Rights does not deprive a Registered Shareholder of the right to vote at the Meeting. However, a Shareholder is not entitled to exercise Dissent Rights in respect of the Disposition Resolution if such holder votes any of the Common Shares beneficially held by such holder "FOR" the Disposition Resolution. The execution or exercise of a proxy against the Disposition Resolution does not constitute a Notice of Dissent for the purposes of exercising Dissent Rights. A vote against the Disposition Resolution or an abstention does not constitute a Notice of Dissent.

For greater certainty, a Registered Shareholder that wishes to exercise Dissent Rights must prepare a separate Notice of Dissent for himself, herself, or itself if dissenting on his, her or its own behalf, and for each other person who beneficially owns Common Shares registered in the Dissenting Shareholder's name and on whose behalf the Dissenting Shareholder is dissenting, and must dissent with respect to all of the Common Shares registered in his, her or its name beneficially owned by the Non-Registered Shareholders on whose behalf he, she or it is dissenting. The Notice of Dissent must set out the number of Common Shares in respect of which the Notice of Dissent is to be sent (the "**Notice Shares**") and:

- if such Notice Shares constitute all of the Common Shares of which the holder is the registered and beneficial owner and the holder owns no other Common Shares beneficially, a statement to that effect;

- if such Notice Shares constitute all of the Common Shares of which the holder is both the registered and beneficial owner, but the holder owns additional Common Shares beneficially, a statement to that effect and the names of the registered holders of Common Shares, the number of Common Shares held by each such holder and a statement that written notices of dissent are being or have been sent with respect to such other Common Shares; or

- if the Dissent Rights are being exercised by a holder of Common Shares on behalf of a beneficial owner of Common Shares who is not the dissenting shareholder, a statement to that effect and the name and address of the beneficial holder of the Common Shares and a statement that the registered holder is dissenting with respect to all Common Shares of the beneficial holder registered in such registered holder's name.

A vote against the Disposition Resolution, whether by attending and voting at the Meeting, or not voting on the Disposition Resolution, does not constitute a Notice of Dissent. Promptly after the Disposition Resolution is approved by the Shareholders, the Company must send to each Dissenting Shareholder a notice that the Disposition Resolution has been adopted, stating that the Company intends to act, or has acted, on the authority of the Disposition Resolution (the "**Notice of Intention**") and advise the Dissenting Shareholder of the manner in which dissent is to be completed under Section 244 of the BCBCA.

If the Disposition Resolution is adopted by the Shareholders as required at the Meeting, and if RepliCel sends the Notice of Intention to the Dissenting Shareholders, pursuant to Section 244 of the BCBCA, the Dissenting Shareholder is then required, within one month after receipt of the Notice of Intention, to send to the Company or the Transfer Agent a signed written notice setting out the Dissenting Shareholder's name, the number and class of Common Shares in respect of which the Dissenting Shareholder dissents and that the Dissent Right is being exercised in respect of all of the Dissenting Shareholder's Common Shares. The written notice should contain any share certificate or certificates representing the Common Shares in respect of which the Dissenting Shareholder has exercised Dissent Rights (if any) and a demand for payment of the fair value of such Common Shares. A Dissenting Shareholder who fails to send to the Company or the Transfer Agent within the required periods of time the required notices or the certificates representing the Common Shares in respect of which the Dissenting Shareholder has dissented may forfeit its Dissent Rights. Upon delivery of these documents, the Dissenting Shareholder is deemed to have sold its Common Shares and the Company must comply with Section 245 of the BCBCA.

The Dissenting Shareholder and the Company may agree on the fair value of the Dissenting Shares (the "**Payout Value**"); otherwise, either party may apply to the Court to determine the Payout Value, and the Court may determine the Payout Value, or order that the Payout Value be established by arbitration or by reference to the

registrar or a referee of the Court. If the Transaction is completed and the Dissenting Shareholder has strictly complied with Section 244 of the BCBCA, after a determination of the Payout Value of the Dissenting Shares, the Company must then promptly pay that amount to the Dissenting Shareholder.

Addresses for Notice

All Notices of Dissent with respect to the Disposition Resolution pursuant to Section 242 of the BCBCA must be received by the Corporate Secretary of the Company not later than 5:00 p.m. (Vancouver time) on December 28, 2024, being the date that is two days immediately prior to the Meeting, or any date which is two days immediately prior to the date on which the Meeting may be postponed or adjourned, at the following address:

> RepliCel Life Sciences Inc. c/o Clark Wilson LLP, 885 W Georgia St #900, Vancouver, BC V6C 3H1, Attention: Mauro Palumbo

Strict Compliance with Dissent Provisions Required

The foregoing summary does not purport to provide comprehensive statements of the procedures to be followed by a Dissenting Shareholder under Sections 237 to 247 of the BCBCA, and reference should be made to the specific provisions of Sections 237 to 247 of the BCBCA. The BCBCA requires strict adherence to the procedures regarding the exercise of rights established therein. The failure to adhere to such procedures may result in the loss of all rights of dissent. Accordingly, each Registered Shareholder who wishes to exercise Dissent Rights should carefully consider and strictly comply with the provisions of Sections 237 to 247 of the BCBCA and consult an independent legal advisor. A copy of Sections 237 to 247 of the BCBCA is set out in Appendix C to this Circular. Dissenting Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive process.

Delisting Resolution

The Delisting Resolution will proceed to a vote only if the Disposition Resolution is first approved at the Meeting. Approval of the Delisting Resolution is a condition precedent to Closing under the Purchase Agreement.

Shareholders will be asked at the Meeting to consider, and if thought advisable, to pass, with or without variation, a resolution authorizing the Voluntary Delisting.

The implementation of the Voluntary Delisting is conditional upon the Company obtaining any necessary regulatory consents, including from the TSXV. The Delisting Resolution also provides that the Board is authorized, in its sole discretion and without any further approval from Shareholders to not proceed with the Voluntary Delisting. The TSXV will issue an Exchange Bulletin 10 days before the voluntary delisting is to occur. The effective date of the delisting is yet to be determined.

The Voluntary Delisting would result in the Company no longer being listed on the TSXV and following completion of the Delisting, there will be no marketplace for trading of the Common Shares. Following the Delisting, the Company will continue to be a reporting issuer in the provinces of British Columbia, Alberta and Ontario and will continue to make public filings in accordance with applicable securities laws.

At the Meeting, assuming approval of the Disposition Resolution, Shareholders will be asked to consider, and if deemed appropriate, to pass the Delisting Resolution to approve the Voluntary Delisting, the full text of which is set out in Appendix B to this Circular. In the event the Delisting Resolution is approved, RepliCel intends to complete the Voluntary Delisting as soon as possible after Closing.

To be approved, the Delisting Resolution requires the affirmative vote of (i) at least a majority of the votes cast on the Delisting Resolution at the Meeting, whether in person or by proxy, and (ii) "majority of the minority shareholder approval" obtained in accordance with the requirements of the TSXV, being at least a majority of the votes cast on the Delisting Resolution at the Meeting and excludes votes attaching to Common Shares held by Non-Arm's Length Parties to the Company (as defined in TSXV regulations), whether in person or by proxy.

To the knowledge of the Company, and as further outlined in the following table, the Non-Arm's Length Parties to the Company have voting control over an aggregate of 33,569,266 Common Shares as of November 27, 2024, representing approximately 46% of all issued and outstanding Common Shares as of such date:

Shareholder	Number of Shares
Andrew Schutte Director, President and Chief Executive Officer	19,370,227
Jamie MacKay Director	10,034,537
David Hall Director Associate of David Hall	1,170,923 100,000
Peter Lewis Director	922,211
Gary Boddington Director	314,815
R. Lee Buckler Director	6,808
Ben Austring Chief Operating Officer	320,500
Dr. Kevin McElwee Chief Scientific Officer	1,329,245
	33,569,266

There can be no assurance that the requisite shareholder approval of the Delisting will be obtained.

The Board unanimously recommends that Shareholders vote "FOR" the Delisting Resolution.

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote "FOR" the approval of the Delisting Resolution as disclosed in this Circular. If you do not specify how you want your Common Shares to be voted at the Meeting, the Persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting "FOR" the approval of the Delisting Resolution.

CANADIAN SECURITIES LAW MATTERS

MI 61-101

As the Company is a reporting issuer in British Columbia, Alberta and Ontario, RepliCel is subject to applicable Canadian securities laws of such provinces, including MI 61-101, which regulates transactions that raise the potential for conflicts of interest. The Transaction is subject to the requirements of MI 61-101 and Policy 5.9 of the TSXV Corporate Finance Manual.

MI 61-101 is intended to regulate, among other things, certain types of transactions with related parties to ensure the protection and fair treatment of minority shareholders. MI 61-101 requires in certain circumstances enhanced disclosure, approval by a majority of securityholders excluding "interested parties" or "related parties" (each as defined under MI 61-101) and approval and oversight of the transaction by a special committee of independent directors.

Related Party Transaction

A transaction will constitute a "related party transaction" within the meaning of MI 61-101 where, among other circumstances, the transaction is one between the Company and a person that is a "related party" of the Company at the time the transaction is agreed to, as a consequence of which, either through the transaction itself or together with "connected transactions" (as defined in MI 61-101), the Company directly or indirectly sells, transfers or disposes of an asset to the related party. Unless otherwise exempt, MI 61-101 requires (i) a formal valuation, and (ii) in addition to any other required securityholder approval, that a related party transaction be subject to "minority approval" (as defined in MI 61-101) from the holders of every class of "affected securities" (as defined in MI 61-101) of the issuer, in each case voting separately as a class. The minority approval requirements set out in Part 8 of MI 61-101 and discussed further below are in addition to the requirement that the Transaction be approved by at least 66⅔% of the votes cast by all Shareholders present or represented by proxy at the Meeting.

The Transaction is a "related party transaction" under MI 61-101 as it involves the sale of assets to the Acquiror, which is a related party of the Company by virtue of Mr. Schutte owning all of the issued and outstanding shares of the Acquiror. The Transaction is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) of MI 61-101, as the Common Shares are not listed on a specified market.

Collateral Benefits

A "collateral benefit" (as defined in MI 61-101) includes any benefit that a "related party" of the Company is entitled to receive directly or indirectly, as a consequence of the Transaction, including without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancements in benefits related to past or future services as an employee, director or consultant of the Company or another person.

As the continuing employment arrangements with the Acquiror, together with the expected equity ownership in the Acquiror are considered to confer a benefit to the Continuing Officers, each of whom is a related party of the Company, such payments may constitute collateral benefits.

Under MI 61-101, when such a benefit is conferred to a related party as a consequence of a related party transaction, such as the Transaction, and the related party in question beneficially owns or exercises control or direction over, more than 1.0% of the equity securities of the applicable issuer, among other things, the benefit so conferred constitutes a collateral benefit for the purposes of MI 61-101. As a result, the voting securities held by the affected related parties must be excluded from voting on the applicable transaction. Messrs. Schutte and McElwee each own more than 1.0% of the equity securities of the Company; however, Messrs. Austring and Kwok each own less than 1.0% of the equity securities of the Company.

Minority Approval Requirements

As a result of the Transaction being considered a related party transaction under MI 61-101, the Company is required to obtain "minority approval" for the Transaction. Pursuant to Section 8.1(2) of MI 61-101, in determining whether minority approval for the Transaction has been obtained, the Company is required to exclude the votes attaching to the Common Shares beneficially owned by, or over which control or direction is exercised by, among others, Interested Parties, related parties of Interested Parties or any joint actors in respect thereof. MI 61-101 provides that "interested parties" include, but are not limited to related parties who receive a "collateral benefit" as a result of the related party transaction.

Common Shares Excluded from Minority Vote

The votes that are required to be excluded from the vote at the Meeting on the Disposition Resolution approving the Transaction for the purposes of determining majority of the minority approval pursuant to Section 8.1(2) of MI 61- 101, are, to the knowledge of the Company, after reasonable inquiry, limited to the votes attaching to the Common Shares beneficially owned or over which direction or control is exercised by Messrs. Schutte and McElwee, who are considered to be Interested Parties under MI 61-101.

To the knowledge of the Company, after reasonable inquiry, the votes to be excluded are those votes attaching to 20,699,472 Common Shares (being approximately 28% of the issued and outstanding Common Shares as at the date of this Circular).

TSXV Acceptance

The Company has applied to the TSXV for acceptance of Transaction in accordance with the policies of the TSXV. The Transaction remains subject to final TSXV acceptance.

RISK FACTORS

In evaluating the matters put forward at the Meeting, Shareholders should carefully consider the following risk factors before deciding to vote or instructing their vote to be cast to approve the Disposition Resolution and Delisting Resolution. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the Company and the Common Shares. In addition to the risk factors set out below, Shareholders should also carefully consider the risk factors applicable to the Company set out in the Company's Management's Discussion & Analysis for the three months ended March 31, 2024 under the heading "Risks and Uncertainties", a copy of which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

The following risk factors are not an exhaustive list of all of the risk factors associated with the Transaction, the Purchase Agreement or the Voluntary Delisting. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the Common Shares and the business of the Company following Closing. All of the risk factors described in this Circular should be considered by Shareholders in conjunction with the other information included in this Circular, including the appendices hereto.

Risks Related to the Transaction

There can be no certainty that all conditions precedent to the Transaction will be satisfied.

The completion of the Transaction is subject to a number of conditions precedent, certain of which are outside the control of the Company, including approval by the Shareholders and obtaining certain required consents. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. Moreover, a substantial delay in obtaining satisfactory approvals and consents could result in the Transaction not being completed. See "*Business of the Meeting – The Purchase Agreement – Conditions Precedent to Closing*". If the Transaction is not completed and the Board decides to seek another sale, merger or business transaction, there can be no assurance that it will be able to find a party willing

to either fund the Company or pay an equivalent or more attractive price than the Consideration to be paid for the Purchased Assets and License pursuant to the Purchase Agreement. If the Transaction is not completed, the market price of the Common Shares may decline to the extent that the market price reflects a market assumption that the Transaction will be completed.

The Purchase Agreement may be terminated in certain circumstances.

Both the Company and the Acquiror have the right to terminate the Purchase Agreement in certain circumstances. See "*Business of the Meeting – The Purchase Agreement – Termination*". Accordingly, there is no certainty, nor can the Company provide any assurance, that the Purchase Agreement will not be terminated by the Company or the Acquiror before the completion of the Transaction. If the Purchase Agreement is terminated, there is no assurance that RepliCel will be able to find an alternative transaction, or that the terms of any alternative transaction would be more or less favourable than the terms set forth in the Purchase Agreement. If the Purchase Agreement is terminated and the Transaction is not completed, the market price of the Common Shares may decline to the extent that the market price reflects an assumption that the Transaction will be completed.

There can be no certainty that Shareholder approval of the Disposition Resolution will be obtained.

If the Disposition Resolution is not approved by (i) at least 66⅔% of Shareholders at the Meeting, and (ii) at least a simple majority of votes cast by the holders of Common Shares, present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes cast by any Interested Parties, the Transaction will not be completed. There can be no certainty, nor can the Company provide any assurance, that the requisite Shareholder approval of the Disposition Resolution will be obtained.

Potential payments to Dissenting Shareholders could have an adverse effect on the Company's financial condition.

Registered Shareholders have the right to exercise Dissent Rights and to demand payment equal to the fair value of their Common Shares in cash. No assurance can be given as to the number of Common Shares in respect of which Dissent Rights may be exercised, if any, or the ultimate outcome of the process required to deal with the exercise of Dissent Rights, including the amount the Court may determine to be the fair value of the Common Shares in respect of which Dissent Rights are exercised and the amount of cash RepliCel may be required to pay to Dissenting Shareholders as a result thereof. If Dissent Rights are validly exercised in respect of a significant number of Common Shares, a substantial cash payment may be required to be made to such Shareholders, which would have an adverse effect on the Company's financial condition and cash resources.

The Company will incur costs even if the Transaction is not completed.

Certain costs related to the Transaction, such as legal, accounting and other fees, must be paid by the Company even if the Transaction is not completed. The Company is liable for all of its costs incurred to date in connection with the Transaction.

The Transaction may divert the attention of management.

The pendency of the Transaction could cause the attention of RepliCel's management to be diverted from day-to- day operations. These disruptions could be exacerbated by a delay in the completion of the Transaction and could have an adverse effect on the business, operating results or prospects of the Company regardless of whether the Transaction is ultimately completed.

RepliCel will no longer have any material business of its own and will be dependent upon the Acquiror's commercialization of the Products.

The Purchased Assets and Patent Rights constitute the Company's primary assets and source of business. If the Closing takes place, all of the Company's business and prospects will be tied to the commercialization of the Products by the Acquiror.

Executive officers and directors of the Company have interests in the Transaction that may be different from the Company and Shareholders generally.

In considering the recommendation of the Board to vote for the Disposition Resolution, Shareholders should be aware that certain officers and directors have certain interests in connection with the Transaction that differ from, or are in addition to, those of Shareholders generally and may present them with actual or potential conflicts of interest in connection with the Transaction. See "*Business of the Meeting – Interests of Certain Persons in the Transaction*" and "*Canadian Securities Law Matters – MI 61-101*".

The Consideration to be received by Shareholders may be affected by foreign currency exchange rates.

The Consideration is to be paid in U.S. dollars, whereas any future dividend paid Shareholders to will be paid in Canadian dollars. The risk of any fluctuations in such rate of exchange for U.S. to Canadian dollars, including risks relating to the particular date and time at which funds are converted, will be solely borne by the Shareholders. If the value of the Canadian dollar relative to the U.S. dollar appreciates as compared to such relative value on the Announcement Date, the amount to be received by Shareholders pursuant to the any future dividend will be less than it would have been on the date the Purchase Agreement was entered into.

Risks Following Completion of the Transaction

The Board will have discretion in the use of certain of the net proceeds of the Transaction.

The Board will have discretion over the use of certain of the net proceeds received from the Transaction. Because of the number and variability of factors that will determine the Company's use of such proceeds, the Company's ultimate use might vary from its planned use of such proceeds. Shareholders may not agree with how the Company determines to allocate or spend the proceeds from the Transaction.

Trading of the Common Shares in the public market will cease.

If RepliCel completes the Transaction, RepliCel will apply to voluntarily delist from the TSXV. In the event the Delisting Resolution is approved, RepliCel intends to complete the Voluntary Delisting as soon as possible after Closing. As a result, the Common Shares will no longer be available for purchase or sale through the TSXV or any stock exchange.

RepliCel will continue to incur the expense of complying with reporting requirements following Closing of the Transaction.

If RepliCel completes the Transaction, the Company will cease to carry on any active business and expects to retain approximately minimal net cash to fund general and administrative expenses. Notwithstanding that RepliCel will not have an active business, it will continue to be required to comply with applicable reporting requirements in the Provinces of British Columbia, Alberta, and Ontario. Compliance with such reporting requirements is economically burdensome.

The proposed future dividends are subject to a number of risks and cannot be predicted with certainty.

Any future dividends proposed to be made by the Company to the Shareholders is subject to a number of risks, including, without limitation:

- the timing, amount or nature of the future dividends to Shareholders cannot be predicted with certainty;

- the Company must estimate the amount available for any future dividend based on a number of assumptions, including the Company's expectations regarding liabilities, taxes and transaction fees as well as administrative and professional costs, and these assumptions may prove to be incorrect; and

- fluctuations in the exchange rate between the U.S. and the Canadian dollar may affect the amounts

which are received by the Company and available for future dividends.

Some of the principal uncertainties relating to the any future dividend relate to the quantum of the earnings after tax for a given period. In addition, ongoing corporate costs of the Company will reduce the amount available for distribution to Shareholders and, in the event the completion of the Transaction is delayed beyond its anticipated date, these costs will continue to be incurred. In addition, the Company will remain a reporting issuer and will incur the attendant costs in connection therewith. Accordingly, the amount of cash available for any future dividend to the Shareholders following Closing cannot currently be quantified with certainty.

AUDITOR, REGISTRAR AND TRANSFER AGENT

The auditor of the Company is Mao & Ying LLP, Chartered Professional Accountants, located at 1188 W Georgia St, Suite 1488, Vancouver, BC V6E 4A2. The Company's Registrar and Transfer Agent is Odyssey Trust Company at its principal office in Vancouver, British Columbia.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee, proposed nominee for election to the Board, or associate of such persons is, or has been, indebted to the Company since the beginning of the most recently completed financial year of the Company and no indebtedness remains outstanding as at the date of this Circular.

None of the directors or executive officers of the Company is or, at any time since the beginning of the most recently completed financial year, has been indebted to the Company. None of the directors' or executive officers' indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Common Shares, or who exercises control or direction of Common Shares, or a combination of both, carrying more than 10% of the voting rights attached to the Common Shares outstanding (each, an "**Insider**"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, other than an interest arising solely from the ownership of Common Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all Shareholders.

See "*Business of the Meeting – Interests of Certain Persons in the Transaction" and "Canadian Securities Law Matters – MI 61-101*".

OTHER MATTERS

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the Designated Persons named in the enclosed form of proxy intend to vote on any poll in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

ADDITIONAL INFORMATION

Additional information about the Company can be obtained free of charge through the SEDAR+ website at www.sedarplus.ca. Shareholders may also contact Andrew Schutte, President, at Suite 900 – 570 Granville Street, Vancouver, British Columbia V6C 3P1, Telephone: 604.248.8730, Facsimile: 604.248.8690, to request copies of the Company's financial statements and the related Management's Discussion and Analysis (the "**MD&A**"). Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR+.

Dated at Vancouver, British Columbia, the 27th day of November, 2024.

By Order of the Board of Directors of

REPLICEL LIFE SCIENCES INC.

"David Hall"
David Hall
Chairman of the Board

APPENDIX A

DISPOSITION RESOLUTION

BE IT RESOLVED, as a special resolution of the holders of common shares of RepliCel Life Sciences Inc., that:

1. The asset purchase and license agreement dated August 6, 2024 between RepliCel Life Sciences Inc. (the "**Company**") and 1456390 B.C. Ltd. (the "**Purchase Agreement**") and all of the transactions contemplated therein, including the entering into of a royalty agreement in the form attached as a schedule to the Purchase Agreement (the "**Royalty Agreement**"), which transactions constitute the disposition of all or substantially all of the undertaking of the Company for the purposes of section 301 of the *Business Corporations Act* (British Columbia), and any amendments thereto, and the actions of the directors and officers of the Company in executing and delivering the Purchase Agreement, Royalty Agreement and any amendments thereto, are hereby confirmed, ratified, authorized and approved in all respects.

2. Any director or officer of the Company is hereby authorized, for and on behalf and in the name of the Company, to execute and deliver, all such agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments (collectively, the "**Transaction Documents**") and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Transaction Documents, and the completion of the transactions contemplated thereunder, including, without limitation, all actions required to be taken by or on behalf of the Company, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing; and the execution, delivery and performance of any and all Transaction Documents are hereby authorized, ratified and approved in all respects.

3. Notwithstanding that these resolutions have been passed, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of, any securityholders of the Company: (a) to amend the Purchase Agreement or Royalty Agreement to the extent permitted by the Purchase Agreement or Royalty Agreement, as applicable; or (b) subject to the terms of the Purchase Agreement, not to proceed with the transactions contemplated thereunder.

To be approved, the Disposition Resolution must be approved by not less than 66⅔% of the votes cast on the Disposition Resolution at the RepliCel Meeting by the holders of common shares, whether in person or by proxy.

APPENDIX B
DELISTING RESOLUTION

BE IT RESOLVED, as an ordinary resolution of the common shareholders of RepliCel Life Sciences Inc., that:

1. Subject to the prior approval by the shareholders of RepliCel Life Sciences Inc. (the "**Company**") of an asset purchase and license agreement dated August 6, 2024 between the Company and 1456390 B.C. Ltd. (the "**Purchase Agreement**") and all of the transactions contemplated therein, including the entering into of a royalty agreement in the form attached as a schedule to the Purchase Agreement in accordance with the provisions of the *Business Corporations Act* (British Columbia), Multilateral Instrument 61-101 – *Protection of Minority Shareholders*, and the policies of the TSX Venture Exchange (the "**TSXV**"), the Company is hereby authorized to make an application to the TSXV for the voluntary de-listing of the Company's common shares from the TSXV.

2. Any director or officer of the Company is hereby authorized, for and on behalf of and in the name the Company, to execute and deliver any and all documentation required by the TSXV and to supply the TSXV with all records and documents deemed necessary or advisable in order to complete the de-listing and to pay all fees in connection with such de-listing.

3. If the Board of Directors of the Company deems it inadvisable to proceed with any of the actions included in the above resolution, it will have the authority to abstain from so doing.

4. Any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.

To be approved, the Delisting Resolution requires the affirmative vote of a majority of minority shareholders of the Company being obtained in accordance with the requirements of the TSXV, being at least a majority of the votes cast on the Delisting Resolution at the Meeting excluding votes attaching to common shares of RepliCel held by Non-Arm's Length Parties to the Company (as defined in TSXV regulations), whether in person or by proxy.

APPENDIX C
DIVISION 2 OF PART 8 OF THE BCBCA

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to Dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph
(a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has

complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.