ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2020

March 25, 2021

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NOTE TO READER

The information in this Annual Information dated March 25, 2021 for the fiscal year ended December 31, 2020 (this "**AIF**") is stated as of December 31, 2020 unless otherwise indicated. All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

This AIF contains forward-looking statements based on NeuPath Health Inc.'s (the "**Corporation**") current expectations, activities and beliefs. Such information involves a number of known and unknown risks and uncertainties, including those discussed in this AIF under the heading entitled "Risk Factors". See "Cautionary Statement Regarding Forward-Looking Statements".

GLOSSARY OF TERMS

Capitalized terms used, but not otherwise defined in this AIF, having the meanings set out below. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**2018 Unit Offerings**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2018 (January 1, 2018 – December 31, 2018)*".

"**2019 Stock Option Plan**" has the meaning ascribed thereto under the heading "*Description of Capital Structure – Description of Stock Options*".

"**2020 Stock Option Plan**" has the meaning ascribed thereto under the heading "*Description of Capital Structure – Description of Stock Options*".

"**2019 Unit Offerings**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2019 (January 1, 2019 – December 31, 2019)*".

"**2276321**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**2276321 Loan Facility**" has the meaning ascribed thereto under the heading "*General Development of Business – Fiscal 2018 (January 1, 2018 – December 31, 2018) – RBC Loan Facilities*".

"**257**" has the meaning ascribed thereto under the heading "*Corporate Structure – General*".

"**257 Prefunded Warrants**" means the prefunded common share purchase warrants of 257 exercisable to acquire common shares in the capital of 257 at a price of $0.0001 per common share, subject to certain restrictions and limitations.

"**257 Warrants**" means the common share purchase warrants of 257 exercisable to acquire common shares of 257 at a price ranging from $0.25 to $2.00 per common share.

"**AIM Hamilton**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**AIM Health**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**Amalco**" has the meaning ascribed thereto under the heading "*Corporate Structure – General*".

"**Arrangement**" has the meaning ascribed thereto under the heading "*Corporate Structure – General*".

"**Audit Committee**" means the audit committee of the Board.

"**Board**" means the board of directors of the Corporation.

"**Common Shares**" has the meaning ascribed thereto under the heading "*Corporate Structure – General*".

"**Compensation Option**" has the meaning ascribed thereto under the heading "*Description of Capital Structure – Description of Compensation Options*".

"**CompreMed**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**Consolidation**" has the meaning ascribed thereto under the heading "*Corporate Structure – General*".

"**CPC Seed Escrow Agreement**" means the escrow agreement dated November 22, 2019 among the Corporation, TSX Trust Company and certain shareholders of the Corporation with respect to an aggregate of 869,500 Common Shares (post-Consolidation).

"**Delegated Authority**" has the meaning ascribed thereto under the heading "*Audit Committee Information – Preapproval Policies and Procedures*".

"**Exchange Ratio**" means five (5) Common Shares (prior to giving effect to the Consolidation) for each one (1) common share of 257 held prior to the completion of the Qualifying Transaction.

"**InMedic**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**InMedic Demand Facility**" has the meaning ascribed thereto under the heading "*General Development of Business – Fiscal 2018 (January 1, 2018 – December 31, 2018)*".

"**InMedic Term Facility**" has the meaning ascribed thereto under the heading "*General Development of Business – Fiscal 2018 (January 1, 2018 – December 31, 2018)*".

"**IPO**" has the meaning ascribed thereto under the heading "*General Development of Business – Fiscal 2019 (January 1, 2019 – December 31, 2019)*".

"**HealthPointe**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**HealthPointe Loan Facilities**" means the agreement entered into between RBC and HealthPointe dated February 2, 2021 pursuant to which RBC agreed to continue to provide HealthPointe with the following credit facilities: (i) a revolving demand facility in the principal amount of $750,000; and (ii) a non-revolving term facility in the principal amount of $2,132,537.

"**NeuPath Prefunded Warrants**" means the prefunded Common Share purchase warrants of the Corporation issued in exchange for 257 Prefunded Warrants pursuant to the Qualifying Transaction.

"**NeuPath QT Warrants**" means the Common Share purchase warrants of the Corporation issued in exchange for 257 Warrants pursuant to the Qualifying Transaction.

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*.

"**November 2020 Broker Warrants**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2020 (January 1, 2020 – December 31, 2020)*".

"**November 2020 Warrant Indenture**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2020 (January 1, 2020 – December 31, 2020)*".

"**November 2020 Offering**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2020 (January 1, 2020 – December 31, 2020)*".

"**November 2020 Units**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2020 (January 1, 2020 – December 31, 2020)*".

"**November 2020 Warrants**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2020 (January 1, 2020 – December 31, 2020)*".

"**OBCA**" means the *Business Corporations Act* (Ontario) as in effect as of the date of this AIF.

"**Qualifying Transaction**" has the meaning ascribed thereto under the heading "*Corporate Structure – General*".

"**QT Escrow Agreement**" means the tier 2 value security escrow agreement dated June 25, 2020 entered into by the Corporation and TSX Trust Company with respect to an aggregate of 11,459,450 Common Shares, 353,333 NeuPath Prefunded Warrants, 76,250 NeuPath Warrants.

"**RBC**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2020 (January 1, 2020 – December 31, 2020)*".

"**RBC Loan Facilities**" means collectively, the 2276321 Loan Facility, the InMedic Demand Facility, the InMedic Term Facility and the HealthPointe Loan Facilities.

"**Renaissance**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**Renaissance Acquisition**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2018 (January 1, 2018 – December 31, 2018)*".

"**Renaissance Promissory Note**" has the meaning ascribed thereto under the heading "*General Development of Business - Fiscal 2018 (January 1, 2018 – December 31, 2018)*".

"**Stock Options**" has the meaning ascribed thereto under the heading "*Description of Capital Structure – Description of Stock Options*".

"**Subco**" has the meaning ascribed thereto under the heading "*Corporate Structure – General*".

"**TSXV**" means the TSX Venture Exchange.

"**Viable Clinic**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

"**Viable Healthworks**" has the meaning ascribed thereto under the heading "*Corporation Structure – Intercorporate Relationships*".

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This AIF may contain or incorporate by reference information that constitutes "forward-looking information" or "forward-looking statements" (collectively, "**forward-looking information**") within the meaning of applicable securities legislation, which involves known and unknown risks, uncertainties, and other factors that may cause the actual results, performance or achievements of the Corporation or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this AIF, such information uses words such as "may," "will," "expect," "believe," "plan," "intend" and other similar terminology. Forward-looking information contained herein reflects current expectations regarding future events and operating performance and speaks only as of the date of this AIF.

Forward-looking information involves significant risks and uncertainties, and therefore, should not be read as a guarantee of future performance or results and will not necessarily be an accurate indication of whether or not such results will be achieved. Accordingly, undue reliance should not be placed on such statements. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the factors discussed in this AIF under the heading entitled "Risk Factors". Some of these risks and assumptions include, among others:

- the sufficiency of the Corporation's working capital, anticipated operating cash flow or its ability to raise additional funds on satisfactory terms;
- the effect of the COVID-19 pandemic on the ability of the Corporation to carry on business;
- increasing competition in the market;
- risks associated with obtaining and maintaining the necessary governmental permits and licences related to the business;
- the estimated cost and availability of funding for ongoing capital requirements;
- failure to achieve desired results in labour negotiations, including the terms of a future collective bargaining agreement;
- the Corporation's ability to successfully execute on its growth and expansion plans;
- compliance with environmental, health, safety and other laws and regulations; and
- whether the key personnel will continue their employment with the Corporation,

all are further and more fully described under the heading "Risk Factors" in this AIF.

All forward-looking information reflects the Corporation's beliefs and assumptions based on information available at the time the assumption was made. Some of these material factors and assumptions include, among others:

- the Corporation is able to obtain future capital or additional financings as and when required on satisfactory terms;
- there being no material variations in the legislation and regulation of health care and health care professionals in Canada and the regulation of electronic medical records as it affects the business of the Corporation;
- that key personnel will continue with the Corporation; and
- the operating expenses, including general and administrative expenses, will continue in accordance with the management's expectation.

Forward-looking information is not based on historical facts but rather on management's expectations regarding future activities, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Although the forward-looking information contained in this AIF is based upon what management of the Corporation believes are reasonable assumptions, the Corporation cannot assure readers that actual results will be consistent with the forward-looking information.

Any forward-looking information represents the Corporation's estimates only as of the date of this AIF and should not be relied upon as representing the Corporation's estimates as of any subsequent date. The Corporation undertakes no obligation to update any forward-looking information to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as may be required by securities legislation.

This AIF also includes market data and forecasts with respect to the chronic pain, sports medicine, concussion, and workplace health services markets. Although the Corporation is responsible for all of the disclosure contained in this AIF, in some cases the Corporation relies on and refers to market data and certain industry forecasts that were obtained from third party surveys, market research, consultant surveys, publicly available information and industry publications and surveys that it believes to be reliable. Unless otherwise indicated, all market and industry data and other statistical information and forecasts contained in this AIF are based on independent industry publications, reports by market research firms or other published independent sources and other externally obtained data that the Corporation believes to be reliable. Any such market data, information or forecast may prove to be inaccurate because of the method by which it was obtained or because it cannot always be verified with complete certainty given the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties, including those discussed in this AIF under the heading "Risk Factors". As a result, although the Corporation believes that these sources are reliable, it has not independently verified the information.

All references in this AIF to "the Corporation" refer to NeuPath Health Inc. and the subsidiaries through which it conducts its business, unless otherwise indicated.

CORPORATE STRUCTURE

General

The Corporation was incorporated pursuant to the provisions of the OBCA on April 17, 2019 under the name "Klinik Health Ventures Corp.". The Corporation completed its initial public offering on December 3, 2019 and was listed on the TSXV as a capital pool company until it completed an arm's length qualifying transaction on June 25, 2020 in accordance with the policies of the TSXV (the "**Qualifying Transaction**"). As a capital pool company, the Corporation had no assets other than cash and did not carry on any operations.

The Corporation's Qualifying Transaction was structured as a reverse take-over by way of a statutory plan of arrangement under Section 182 of the OBCA, (the "**Arrangement**") involving a wholly-owned subsidiary of the Corporation, 2752695 Ontario Inc., ("**Subco**") and a private Ontario corporation, 2576560 Ontario Inc. ("**257**"). Under the Arrangement, 257 amalgamated with Subco to form 5033421 Ontario Inc. ("**Amalco**") and all of the issued and outstanding securities of 257 were exchanged for equivalent securities of the Corporation based on the Exchange Ratio. As a consequence of the Arrangement, Amalco become a wholly-owned subsidiary of the Corporation and the business and activities of 257 became the business of the Corporation. Immediately following the completion of the Arrangement, the Corporation changed its name to "NeuPath Health Inc." and completed a share consolidation on a one-for-five basis (the "**Consolidation**").

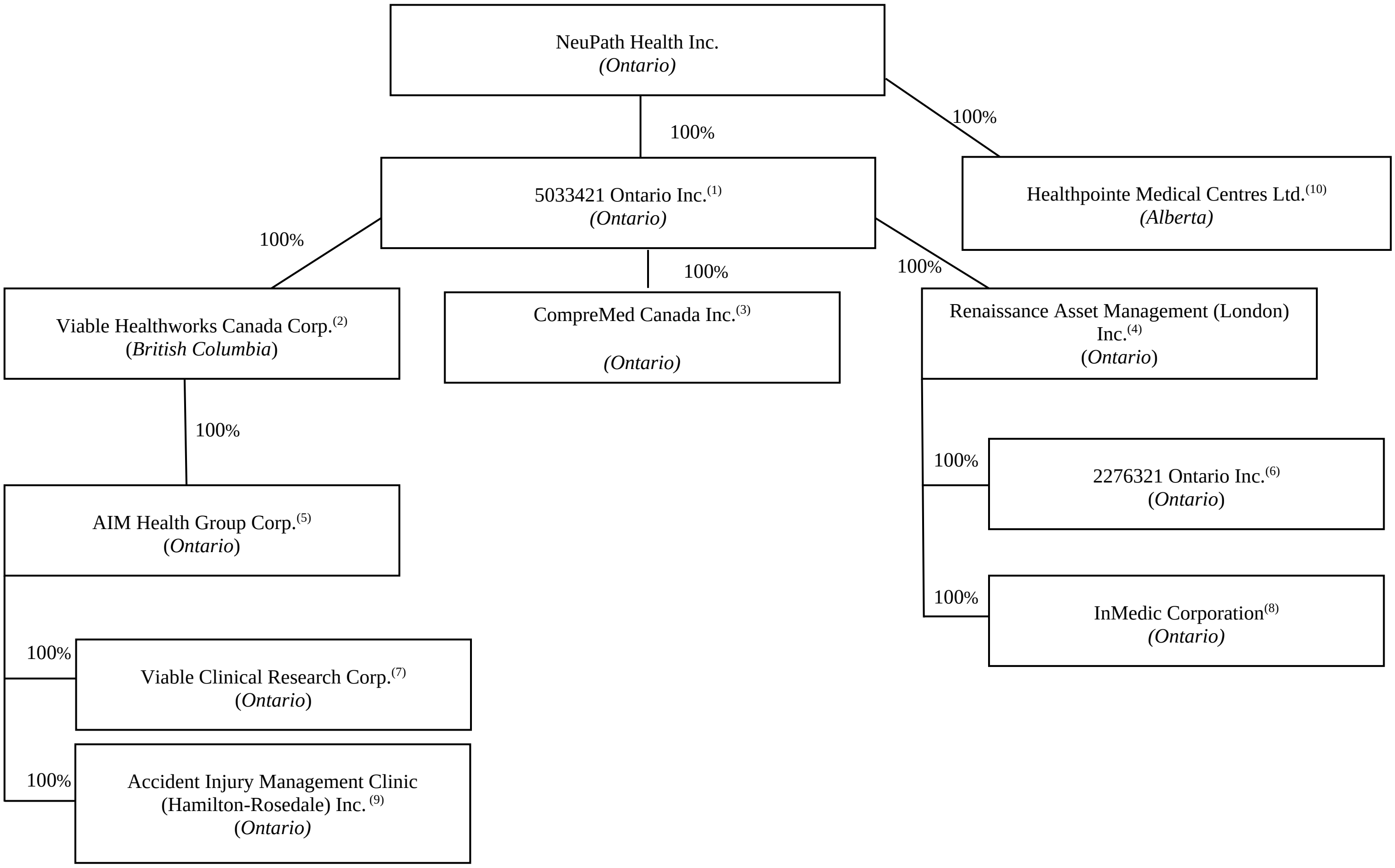
On July 6, 2020, the common shares (the "**Common Shares**") of the Corporation, which were previously halted on March 20, 2020, as a result of the announcement of the Qualifying Transaction, resumed trading on the TSXV under the ticker symbol "NPTH".

The Corporation's head office is located at 6400 Millcreek Drive, Unit 9, Mississauga, Ontario L5N 3E7 and its registered office is located at 181 Bay Street, Suite 2100, Toronto, Ontario, Canada.

The Corporation's website is https://www.neupath.com/.

Intercorporate Relationships

The following chart illustrates the subsidiaries of the Corporation, together with their respective jurisdictions of existence and share ownership as of the date of this AIF.



Notes:

(1) Amalco was formed pursuant to the amalgamation of Subco and 257 on June 25, 2020 in connection with the Arrangement.

(2) Viable Healthworks Canada Corp. ("**Viable Healthworks**") was incorporated pursuant to the *Business Corporations Act* (British Columbia) on January 12, 2009. Viable Healthworks and its subsidiaries were acquired by 257 on May 26, 2017.

(3) CompreMed Canada Inc. ("**CompreMed**") was incorporated pursuant to the OBCA on October 3, 2002. CompreMed operates an independent medical assessment business. CompreMed was acquired by 257 on March 31, 2019.

(4) Renaissance Asset Management (London) Inc. ("**Renaissance**") was incorporated pursuant to the OBCA on January 23, 2013. Renaissance and its subsidiaries were acquired by 257 on February 26, 2018.

(5) AIM Health Group Corp. ("**AIM Health**") was incorporated pursuant to the OBCA on November 12, 2009. AIM Health is an operating company for CPM Centres for pain management, the pain clinic business and viable health staffing that provides physician staffing to emergency rooms and correctional facilities.

(6) 2276321 Ontario Inc. ("**2276321**") was incorporated pursuant to the OBCA on March 2, 2011. 2276321 is a real estate holding company that owns the building in London, Ontario where InMedic's headquarters and the London medical clinic is located.

(7) Viable Clinic Research Corp. ("**Viable Clinic**") was incorporated pursuant to the OBCA on December 10, 2009. Viable Clinic is a contract research business.

(8) InMedic Corporation ("**InMedic**") was incorporated pursuant to the OBCA on January 19, 2011. InMedic is the operating entity for the Corporation's pain clinic business.

(9) Accident Injury Management Clinic (Hamilton-Rosedale) Inc. ("**AIM Hamilton**") was incorporated pursuant to the OBCA on December 2, 2009. AIM Hamilton owns and operates a chronic pain management clinic in Hamilton, Ontario.

(10) Healthpointe Medical Centres Ltd. ("**HealthPointe**") was incorporated pursuant to the *Business Corporations Act* (Alberta) on February 26, 2007. HealthPointe was acquired by the Corporation on February 7, 2021. HealthPointe operates a pain, spine and sport medicine clinic in Edmonton, Alberta.

GENERAL DEVELOPMENT OF THE BUSINESS

Prior to the completion of the Qualifying Transaction on June 25, 2020, the Corporation was a capital pool company which had no assets other than cash and did not carry on any operations. Upon completion of the Qualifying Transaction, Amalco become a wholly-owned subsidiary of the Corporation and the business and activities of 257 became the business of the Corporation.

Fiscal 2021 (January 1, 2021 – March 25, 2021)

On February 7, 2021, the Corporation completed the acquisition of all of the issued and outstanding shares of HealthPointe for an aggregate purchase price of $3,200,000. Pursuant to the terms of the share purchase agreement, the Corporation has also agreed to: (i) pay the previous shareholders of HealthPointe an additional consideration payment of up to $1,500,000 based on the achievement of certain financial results over a two-year measurement period; and (ii) the assumption of approximately $2,000,000 of term debt of HealthPointe. HealthPointe operates a 20,000 square foot facility in Edmonton, offering physician-based case services for a wide range of injuries and issues, including chronic pain management, spinal injuries, sport medicine and concussions.

Fiscal 2020 (January 1, 2020 – December 31, 2020)

On November 13, 2020, the Corporation closed a bought deal public offering (the "**November 2020 Offering**") of 13,340,000 units of the Corporation (the "**November 2020 Units**") for aggregate gross proceeds of $12,006,000, before deducting underwriting commissions and other offering expenses. The November 2020 Units were issued at a price of $0.90 per November 2020 Unit. Each November 2020 Unit comprised of one Common Share and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "**November 2020 Warrant**"). Each November 2020 Warrant entitles the holder thereof to acquire a Common Share at an exercise price of $1.25 per Common Share until November 13, 2022. In the event that the volume weighted average trading price of the Common Shares for any twenty (20) consecutive trading days on the TSXV exceeds $1.75, the Corporation shall have the right to accelerate the expiry date of the November 2020 Warrants upon providing no less than 15 trading days' written notice to the holders of the November 2020 Warrants and issuing a news release announcing the acceleration, pursuant to the terms of a warrant indenture dated November 13, 2020 between the Corporation and TSX Trust Company (the "**November 2020 Warrant Indenture**"). The Corporation also issued 800,400 broker warrants of the Corporation (the "**November 2020 Broker Warrants**") to the underwriters of the November 2020 Offering. Each November 2020 Broker Warrant entitles the holder thereof to acquire one Common Share at an exercise price of $0.90 per Common Share until November 13, 2022.

On October 5, 2020, the Corporation announced an initiative to expand its digital health capabilities. The Corporation retained Pivot Design Group to work with the Corporation's physicians, healthcare providers and patients and translate research into proprietary digital health solutions designed to provide chronic pain patients with multi-modal care and the tools needed to live a complete and fulfilled life.

On August 19, 2020, the Corporation entered into amendment agreements with the Royal Bank of Canada ("**RBC**") with respect to the 2276321 Loan Facility, InMedic Demand Facility and the InMedic Term Facility. The Corporation and RBC agreed to amend, among other things, certain operating and financial restrictions to reflect the Corporation's current business operations and structure. These credit facilities are secured by all of the assets of the Corporation's operating subsidiaries and include restrictive covenants relating to indebtedness, operations, investments capital expenditures and other standard operating business covenants.

On August 12, 2020, the Corporation requested MNP LLP to resign as auditors of the Corporation and MNP LLP submitted their resignation effective August 13, 2020. On the recommendation of the Audit Committee, the Board approved a proposal to request the resignation of MNP LLP and engaged Ernst & Young LLP as the successor auditors of the Corporation.

On June 25, 2020, the Corporation completed its Qualifying Transaction. For further information, see "*Corporate Structure - General*".

On March 20, 2020, the Corporation announced the entering into of a letter of intent with 257 with respect to the Qualifying Transaction. Concurrently, with the announcement, the Common Shares were halted from trading on the TSXV pending the completion of the Qualifying Transaction.

Fiscal 2019 (January 1, 2019 – December 31, 2019)

On December 6, 2019, the Corporation's Common Shares began trading on the TSXV under the symbol "KHV.P".

On December 3, 2019, the Corporation completed its initial public offering of 15,000,000 Common Shares for aggregate gross proceeds of $3,000,000 (the "**IPO**"). The Corporation also issued 1,500,000 compensation options of the Corporation to the agent of the IPO. Each such compensation option of the Corporation is exercisable to purchase Common Shares at an exercise price of $0.20 per Common Share until December 3, 2021.

The subsequent disclosure contained in this section includes developments of the business of 257 prior to the completion of the Qualifying Transaction.

On March 31, 2019, 257 entered into a share purchase agreement with Helen Louise Kruezer, an arm's length party, pursuant to which 257 purchased all of the issued and outstanding shares of CompreMed for an aggregate purchase price of (i) $157,000 in cash consideration (inclusive of working capital adjustments); and (ii) an additional payment not to exceed $200,000 in the event that CompreMed meets certain revenue milestones for the fiscal year ended December 31, 2019. The conditions for the additional payment were not met and therefore no additional consideration was paid. The acquisition of CompreMed allowed 257 to start offering independent medical assessments, filling a gap in 257's medical services offering. CompreMed's existing relationships with insurance carriers and employers also provides the Corporation with an opportunity to provide chronic pain management services to employers and insurance carriers; a relatively undeveloped sales channel for the Corporation to date.

From March 28, 2019 to December 19, 2019, through various tranches, 257 completed brokered private placements of common share units of 257 for aggregate gross proceeds of $2,644,866 (collectively, the "**2019 Unit Offerings**"). Such units consisted of: (i) one common share of 257; and (ii) one-half of a 257 Warrant. In connection with the 2019 Unit Offerings, a total of 2,644,866 common share of 257 and 1,322,433 257 Warrants were issued. Each 257 Warrant issued pursuant to the 2019 Unit Offerings entitled the holder thereof, subject to adjustments, to acquire on common share of 257 at an exercise price of $1.30 per common share. In connection with the Qualifying Transaction, each outstanding 257 Warrant was assigned and transferred by such holder to the Corporation in exchange for a NeuPath QT Warrant in accordance with the Exchange Ratio, with each such NeuPath QT Warrant being exercisable into a Common Share on the same terms and conditions as a 257 Warrant issued to such holder. For a description of the NeuPath QT Warrants, please see "*Description of Capital Structure*" in this AIF.

Fiscal 2018 (January 1, 2018 – December 31, 2018)

From September 27, 2018 to October 31, 2018, through various tranches, 257 completed brokered private placements of common share units of 257 for aggregate gross proceeds of $1,305,000 (collectively, the "**2018 Unit Offerings**"). Such units consisted of: (i) one common share of 257; and (ii) one-half of a 257 Warrant. In connection with the 2018 Unit Offerings, a total of 1,305,000 common share of 257 and 652,500 257 Warrants were issued. Each 257 Warrant issued pursuant to the 2018 Unit Offerings entitled the holder thereof, subject to adjustments, to acquire on common share of 257 at an exercise price of $1.30 per common share. In connection with the Qualifying Transaction, each outstanding 257 Warrant was assigned and transferred by such holder to the Corporation in exchange for a NeuPath QT Warrant in accordance with the Exchange Ratio, with each such NeuPath QT Warrant being exercisable into a Common Share on the same terms and conditions as a 257 Warrant issued to such holder. For a description of the NeuPath QT Warrants, please see "*Description of Capital Structure*" in this AIF.

On February 26, 2018, 257 entered into a share purchase agreement with Ganesh Ram, Grishanth Ram (a current director of the Corporation), Nectar Raisin Inc. and Renaissance, each of which were arm's length parties to 257 at the time, pursuant to which 257 acquired all of the issued and outstanding shares of Renaissance for an aggregate purchase price of $14,500,000, which consisted of: (i) $7,350,000 in cash consideration, a portion of which was allocated to the repayment of all outstanding shareholder loans; (ii) a promissory note in the amount of $650,000 in favour of the shareholders of Renaissance (the "**Renaissance Promissory Note**"); and (iii) $6,500,000 in common shares of 257 issued at a price $1.00 per common share (the "**Renaissance Acquisition**"). The Renaissance

Promissory Note bore interest at a rate of 4% per annum and matured on February 26, 2020. The outstanding balance of the Renaissance Promissory Notice plus accrued interest was paid in full upon maturity.

Pursuant to the Renaissance Acquisition, 257 also assumed the outstanding long-term debt of Renaissance held with RBC. As a result, on February 26, 2018, 2276321 entered into an agreement with RBC pursuant to which RBC agreed to provide 2276321 with a new credit facility in the form of a secured, non-revolving term facility in the principal amount of $1,350,000 (the "**2276321 Loan Facility**"). The 2276321 Loan Facility bears interest at a rate of 5.23% and matures on September 30, 2023. Pursuant to the Renaissance Acquisition, the funds from the 2276321 Loan Facility were used to repay indebtedness that Renaissance had owed to RBC. The 2276321 Loan Facility is secured by a first ranking security interest over all of the assets of the Corporation's operating subsidiaries and includes customary restrictive covenants relating to indebtedness, operations, investments capital expenditures and other standard operating business covenants. As at December 31, 2020, the principal outstanding on the 2276321 Loan Facility was $1,254,132.87. Additionally, On February 26, 2018, InMedic entered into an agreement with RBC pursuant to which RBC agreed to provide InMedic with new credit facilities in the form of: (i) a revolving demand facility (the "**InMedic Demand Facility**") in the principal amount of $250,000; and (ii) a non-revolving term facility (the "**InMedic Term Facility**") in the principal amount of up to $6,000,000. The InMedic Demand Facility bears interest at a rate of Royal Bank of Canada prime plus 3% and is payable on demand. The InMedic Term Facility bears interest at a rate of RBC prime plus 1.95% and has a maturity date of February 28, 2022. Additionally, on April 14, 2020, InMedic was granted a six month payment deferral period as a result of COVID-19 in connection with the InMedic Term Facility. The InMedic Demand Facility and the InMedic Term Facility are secured by a first ranking security interest over all of the assets of the Corporation's operating subsidiaries and includes customary restrictive covenants relating to indebtedness, operations, investments capital expenditures and other standard operating business covenants. As at December 31, 2020, the principal outstanding on the InMedic Demand Facility was $Nil and the principal outstanding on the InMedic Term Facility was $2,994,994.

On February 23, 2018, 257 entered into a debt settlement agreement with the remaining holders of the Viable Healthworks convertible debentures and certain other debt holders pursuant to which the parties agreed that the outstanding aggregate principal amount of the Viable Healthworks convertible debentures and certain other debt were to be converted into units of 257. Each such unit of 257 consisted of: (i) 13,333.3333 257 Prefunded Warrants for every $10,000 principal amount of Viable Healthworks convertible debenture; and (ii) 2,500 257 Warrants for every $10,000 principal amount of Viable Healthworks Convertible Debenture. In connection with the settlement, 10,420,000 257 Prefunded Warrants and 1,953,750 257 Warrants were issued. Each 257 Warrant issued in connection with the debt settlement agreement entitled the holder thereof, subject to adjustments, to acquire on common share of 257 at an exercise price of $1.00 per common share. In connection with the Qualifying Transaction, each outstanding 257 Prefunded Warrant and 257 Warrant was assigned and transferred by such holder to the Corporation in exchange for a NeuPath Prefunded Warrant or a NeuPath QT Warrant, as applicable, in accordance with the Exchange Ratio, with each such NeuPath Prefunded Warrant or NeuPath QT Warrant being exercisable into a Common Share on the same terms and conditions as the 257 Prefunded Warrant or 257 QT Warrant issued to such holder. For a description of the NeuPath Prefunded Warrants and NeuPath QT Warrants, please see "*Description of Capital Structure*" of this AIF.

DESCRIPTION OF THE BUSINESS

Overview

The Corporation operates an end-to-end, integrated network of health care businesses focused on transforming the hope of a better life into the reality of a life more fully lived. The Corporation endeavors to achieve this goal by working with patients to return functionality lost due to chronic pain, spinal injuries, sports related injuries, and concussions. The Corporation's end-to-end solution is built on a base of research, with technology layered in, with a goal of better outcomes from assessments and treatments.

The Corporation operates an interdisciplinary network of medical clinics in Ontario and Alberta, in addition to an independent medical assessment business with a national network of health care providers. The Corporation's medical clinics provide comprehensive assessments and rehabilitation services to clients with chronic pain, musculoskeletal/back injuries, sports related injuries and concussions. The Corporation's health care providers cover a broad range of specialties and include: physiatrists, neurologists, anesthesiologists, general practitioners with specialized training in chronic pain as well as medication management physicians, athletic therapists and nurses.

In addition, NeuPath provides workplace health services and independent medical assessments to employers and disability insurers through a national network of health care providers, including: cardiologists; dentists; dermatologists; endocrinologists; psychiatrists; gastroenterologists; general practitioners; internal medicine specialists; neurologists; neuropsychiatrists; neuropsychologists; occupational therapists; ophthalmologists; orthopedic surgeons; physiatrists; physiotherapists; psychologists; respirologists; and rheumatologists.

The Corporation has 12 locations across Ontario and 1 location in Alberta with more than 100 health care providers. In addition, the Corporation has a minority equity ownership in two physiotherapy and sport medicine clinics in Alberta.

Markets

The Corporation competes in the chronic pain, sports medicine, concussion, and workplace health services markets in Canada. Conditions often coexist amongst these distinct markets; for example, chronic pain is one of the known consequences of a traumatic brain injury. The Corporation believes that having the ability to treat these often-coexisting conditions and building collaborative, interdisciplinary teams of health care providers are distinct competitive advantages and are important foundations for improving patient care.

Chronic Pain

According to the Global Burden of Disease Study, chronic pain is the 4th most burdensome disease or condition[1]. Not surprisingly, chronic pain is also prevalent, impacting approximately 1 in 5 adults worldwide[2]. Despite chronic pain's prevalence and impact, it has only recently started to attract increased attention. In May 2019, the World Health Organization added chronic pain to its International Classification of Diseases for the first time. The International Classification of Diseases is used worldwide as a diagnostic tool to classify causes of injury or death and the addition of chronic pain will allow for better tracking of the impact and prevalence of chronic pain. In addition, the Canadian federal government formed the Canadian Pain Task Force in March 2019 to assess how chronic pain is currently managed and make recommendations for improvement. Both of these initiatives should result in increased attention on chronic pain.

A recent study published in October 2020 by the Canadian Pain Task Force found that chronic pain had a significant impact on physical and mental health, family and community life, society and the economy, with the total direct and indirect cost of $38.3 to $40.4 billion in 2019, of which $15.09 to $17.23 billion represented direct healthcare costs[3].

Products and Services

Clinical Services

For the fiscal year ended December 31, 2020, clinical services accounted for 94% (94% in 2019) of the Corporation's revenue.

1. Chronic Pain Management Services – The Corporation's Multimodal Approach

Chronic pain is a multidimensional condition impacted by biological, behavioural and social factors[4]. The Corporation's health providers consider each of these factors when assessing and treating each patient. Traditional

[1] Kassebaum NJ, Smith AGC, Bernabé E, Fleming TD, Reynolds AE, Vos T, Murray CJL, Marcenes W; GBD 2015 Oral Health Collaborators. Global, Regional, and National Prevalence, Incidence, and Disability-Adjusted Life Years for Oral Conditions for 195 Countries, 1990-2015: A Systematic Analysis for the Global Burden of Diseases, Injuries, and Risk Factors. J Dent Res. 2017 Apr;96(4):380-387. doi: 10.1177/0022034517693566. PMID: 28792274; PMCID: PMC5912207.

[2] BU School of Public Health. (2017). Chronic Pain and the Health of Populations. Retrieved from https://www.bu.edu/sph/news/articles/2017/chronic-pain-and-the-health-of-populations/.

[3] The Canadian Pain Task Force. (2020). Working Together to Better Understand, Prevent, and Manage Chronic Pain: What We Heard. Cat.: H134-17/2020E-PDF. Retrieved from https://www.canada.ca/content/dam/hc-sc/documents/corporate/about-health-canada/public-engagement/external-advisory-bodies/canadian-pain-task-force/report-2020-rapport/report-2020.pdf.

[4] Lynch ME. The need for a Canadian pain strategy. Pain Res Manag. 2011 Mar-Apr; 16(2): 77–80; and Gatchel, Robert & Peng, Yuan & Peters, Madelon & Fuchs, Perry & Turk, Dennis. (2007). The Biopsychosocial Approach to Chronic Pain: Scientific Advances and Future Directions. Psychological bulletin. 133. 581-624. 10.1037/0033-2909.133.4.581.

medical treatments may be supplemented as appropriate with access to medical cannabis, the Corporation's Chronic Pain Self-Management Program and mindfulness meditation. This multimodal approach goes beyond treating the pain sensation and targets some of the underlying and contributing behavioural and social factors. In addition, the multimodal approach provides patients with the education and tools needed to help self-manage their chronic condition.

The Corporation generates revenue by providing both insured and uninsured services to patients. Insured services include treatments or procedures covered by provincial health plans and third-party health insurance plans. In most cases, the insurer is billed directly by the Corporation. Uninsured services include treatments and procedures that are not covered by provincial health plans or third-party health insurance plans and are billed directly to patients. For example, therapeutic botox injections are not covered by provincial health plans and, depending on a patient's third-party health insurance coverage, may not be covered by third-party insurance. In this instance, the patient would need to pay out-of-pocket for the treatment.

Generally, patients are referred to the Corporation's clinics by family physicians or nurse practitioners after experiencing pain for at least three months. Prior to their first visit, patients complete an extensive questionnaire. The questionnaire is designed to gain a better understanding of the patient's pain, the impact of such pain on their life, and the patient's medical history and lifestyle. Patients then complete an assessment with one of the Corporation's chronic pain practitioners. The goal of the assessment is to gain a better understanding of the patient's condition in order to create a treatment plan. Every patient is different from a biological, behavioural, and social perspective, so treatment plans reflect these differences and vary from patient to patient. Common elements of treatment plans include:

(a) Injection-based Therapies: The Corporation's physicians inject analgesics around a specific nerve or bundle of nerves with the goal of reducing pain intensity. These analgesic injections are covered to varying degrees by provincial health plans. In addition, the Corporation also offers therapeutic Botox injections for the treatment and prevention of chronic migraines. Botox injections are covered by some third-party health insurance plans.

(b) Infusion Therapy: At select clinic locations, the Corporation offers intravenous lidocaine infusion therapy for the treatment of neuropathic pain, complex regional pain syndrome, and chronic diabetic neuropathy. In general, provincial health insurance plans offer coverage for certain intravenous lidocaine infusion therapy.

(c) Chronic Pain Self-Management Program: Based on research conducted at Stanford University, the Chronic Pain Self-Management Program is a group-based, facilitated, and highly interactive six weeks/twelve-hour program. The program is a psychoeducational, cognitive behavioral program which helps patients better understand chronic pain and teaches non-medicated coping strategies and goal setting. Topics include: techniques and coping strategies to deal with frustration, fatigue, pain, and isolation; appropriate exercise for improving and maintaining strength, flexibility, and endurance; appropriate use of medications; communicating effectively with family, friends, and health professionals; nutrition; and evaluating new treatments. Similar programs have shown significant short-term improvements in pain, dependency, vitality, aspects of role functioning, life satisfaction and self-efficacy[5].

(d) Optimization of Pharmacotherapy: The Canadian Pain Society's guidelines for the treatment of neuropathic pain recommend gabapentinoids, tricyclic antidepressants, and serotonin-norepinephrine reuptake inhibitors as first-line agents for treating neuropathic pain. Tramadol and other opioids are also recommended as second-line agents for treating neuropathic pain. Often, the therapies patients receive at the Corporation's clinics will allow the Corporation's physicians to optimize, reduce, eliminate, or replace patients' pain medications. For example, research shows that intravenous lidocaine infusions are an effective adjuvant therapeutic approach for chronic pain management particularly for opioid dependent patients[6].

[5] LeFort, S., Gray-Donald, K., Rowat, K.M. & Jeans, M.E. Randomized controlled trial of a community-based psychoeducation program for the self-management of chronic pain. Pain, 74, 297-306, 1998.

[6] Kandil E, Melikman E, Adinoff B. Lidocaine Infusion: A Promising Therapeutic Approach for Chronic Pain. J Anesth Clin Res. 2017;8(1):697. doi:10.4172/2155-6148.1000697.

(e) Medical Cannabis: In conjunction with other therapeutic approaches, the Corporation's physicians also prescribe medical cannabis where appropriate. The Canadian Pain Society currently recommends cannabinoids as third-line agents in the treatment of neuropathic pain. The Corporation does not sell or possess medical cannabis and the Corporation's involvement with medical cannabis is limited to prescribing it to patients. In addition, the Corporation and its doctors do not recommend any specific licensed cannabis producer or specific strain/brand of cannabis to its patients and the Corporation does not receive any referral fees, finder's fees or other incentives with respect to medical cannabis nor plans to enter into such compensation arrangements or similar arrangements with licensed cannabis producers in the future.

2. Workplace Health Services

The Corporation also provides workplace health services and independent medical assessments to employers and disability insurers through a national network of health care providers.

Spending on employee benefit group life and health plans in Canada were estimated to be $46.1 billion in 2019, with $21.9 billion spent on medical benefits[7]. A significant portion of this cost is allocated to traditional benefits such as medical, dental, and life/AD&D; however, a recent study by Deloitte found that employers are increasingly aware that conditions like mental illness are costly for employers[8]. As a result, some employers are investing in workplace mental health initiatives and, more importantly, are generating a positive return on investment.

According to a recent report by the Conference Board of Canada, healthcare costs in Canada are expected to increase substantially over the next decade due to an aging population, combined with population growth and the impact of the COVID-19 pandemic[9]. Without substantial increases in public funding, Canadians could experience a reduction in access to care and employers could see a corresponding increase in lost productivity. Based on early experiences with workplace mental health initiatives, in an effort to reduce the costs associated with lost productivity, employers might look to implement other workplace health initiatives.

Non-Clinical Services

For the fiscal year ended December 31, 2020, non-clinical services accounted for 6% (6% in 2019) of the Corporation's revenue.

1. Physician Staffing Services

The Corporation provides physician staffing for provincial correctional institutions, federal correctional institutions, and hospital health departments across Canada. The Corporation receives compensation for the corporate wellness and physician staffing services on a quote pay per use and quote basis, which is calculated at an hourly rate.

2. Research

The Corporation provides contract research services to pharmaceutical companies. More importantly, these clinical research capabilities allow the Corporation to evaluate the efficacy of new and existing services and treatments. In addition, the Corporation utilizes its research capabilities to fill research gaps in traditionally underfunded areas, like chronic pain. The Corporation has completed data collection and is now working to publish the findings from a 550-patient study focused on chronic pain and the impact of the Corporation's treatments on patients' lives.

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[7] Fraser Group. (2020). Group Universe Report. Retrieved from https://frasergroup.com/assets/files/GUR/GUR%20Public%20Release%20Canada.pdf

[8] Deloitte. (2019). The ROI in workplace mental health programs: Good for people, good for business. Retrieved from https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/about-deloitte/ca-en-about-blueprint-for-workplace-mental-health-final-aoda.pdf

[9] The Conference Board of Canada. (2020). Health Care Cost Drivers in Canada: Pre-and Post-COVID-19. Publication: 10816. Retrieved from https://www.canadaspremiers.ca/wp-content/uploads/2020/10/CBOC_impact-paper_research-on-healthcare_final.pdf

3. Technology

The Corporation utilizes technology to enhance in-person care or to make care more accessible or more convenient for patients. During the COVID-19 pandemic, the Corporation enhanced its virtual care capabilities by converting approximately 9% of total patient visits to virtual visits. Virtual care is becoming increasingly important for patients; according to a recent study by Environics Research, 82% of Canadians believe their employer should provide access to virtual health care[10]. In addition, the Corporation is currently working to develop a remote chronic pain management app that will allow patients to access education and tools that will help them better self-manage chronic pain. The Corporation's remote pain management app will utilize a more holistic, patient-centered approach to chronic pain management by including education and tools around sleep, exercise, diet, and behavior modification in addition to traditional pharmacotherapy approaches for managing chronic pain. In addition, the app will allow for improved data collection and will facilitate improved communication between health care providers and patients. The Corporation plans to start beta testing the app with its patients in the second quarter of 2021.

Business and Growth Strategy

Regional Approach to Pain Management Clinics

The Corporation seeks to develop leading positions in key markets and to leverage operational efficiencies by combining smaller local pain management clinics within a region under a single regional management structure. The Corporation's scale and density within selected geographic areas provides valuable and mutually beneficial long-term relationships with the local physicians, local nurse practitioners and the community in general.

Patient Centred Treatment Model

The Corporation provides patients with assessments and treatment plans based on the biopsychosocial approach. Research demonstrates the efficacy of the biopsychosocial approach in assessing and treating chronic pain. NeuPath believes this multimodal approach offers patients a superior alternative to the traditional monomodal treatments and long wait times at multidisciplinary pain clinics.

Growth Strategy

The Corporation's long term growth strategy includes the following key drivers for sustained growth:

(a) Organic Growth**:** The Corporation believes its currently underutilized clinic network represents a significant growth opportunity. The main drivers behind clinic utilization are patient flow and healthcare providers under contract. The Corporation believes its multimodal approach is more attractive than other monomodal approaches and should lead to increased patient flow. In addition, the Corporation is continuously evaluating new, evidence-based treatments which, when combined with the Corporation's detailed training program, is the basis for attracting new healthcare providers.

(b) Growth by Acquisition**:** In addition to opportunities to grow revenue organically, the Corporation believes there is an opportunity to grow via acquisition. The physician services clinic segment in Canada is fragmented and regionalized due to provincial administration of health insurance plans. In addition there are many single-location clinics without broad programs, scale efficiencies or exit strategies. The fragmented nature of the clinic services market combined with the fact that there are a limited number of groups acquiring clinics, leads the Corporation to believe there is an opportunity to acquire clinics at attractive valuations. As the market matures, the Corporation will actively seek opportunistic acquisitions of established clinics or smaller single-location pain management clinics. The Corporation's corporate business infrastructure, experienced management team and standardized systems and procedures as well as its ability to rapidly integrate new clinics, positions the Corporation well to lead any future market consolidation.

[10] Environics Research. (2020). Canadian Attitudes on Healthcare and Telemedicine. Retrieved from https://www.dialogue.co/canadian-attitudes-on-healthcare-and-telemedicine

Locations

The Corporation currently operates 13 chronic pain management clinics across Alberta and Ontario, 12 of which operate in leased office space and one clinic at a property owned by a subsidiary of the Corporation. In addition, the Corporation has a minority equity ownership in two physiotherapy and sport medicine clinics in Alberta.

The Corporation's leased properties are all leased from third parties on terms and conditions that are customary in commercial leases of this nature. Each of the Corporation's leased properties are listed below:

Clinic Location	Lease Expiration Date
Brampton	July 31, 2025
Edmonton	December 31, 2033
Hamilton	November 30, 2022
Kitchener	December 31, 2023
London	June 30, 2025
Mississauga	February 28, 2024
Oakville	July 31, 2022
Oshawa	November 30, 2025
Ottawa	July 31, 2028
Scarborough	July 31, 2022
Toronto	December 31, 2023
Windsor	March 31, 2025

Competitive Conditions

The primary healthcare market is a very fragmented environment with thousands of medical clinics spread across Canada and the majority of these clinics are owned and managed by physicians. A lack of professional management and other associated infrastructure limits their ability to grow beyond a single location or small, regional network of clinics. In Ontario, there are more than 60 chronic pain management clinics alone, many of which are single-location clinics without broad programs or scaling efficiencies. With 13 wholly-owned clinics, the Corporation is the largest provider of chronic pain management services in Canada. Outside of the Corporation, there is one other pain management group, operating 8 clinics in Ontario and 1 outside of Ontario.

Employees

As at December 31, 2020, the Corporation had 110 employees. In addition, the Corporation uses the services of professional consultants, such as physician consultants from time to time. As of December 31, 2020, approximately 65 employees are represented by a union covered by a collective bargaining agreement, which is currently being renegotiated.

RISK FACTORS

The Corporation considers the risks set out below to be the most significant to potential investors in the Corporation, but this list does not contain all of the risks associated with an investment in the securities of the Corporation. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Corporation is currently unaware or which it considers not to be currently material in relation to the Corporation's business actually occur, the Corporation's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected. In such circumstances, the price of the Common Shares may decline and investors may lose all or part of their investment. Investors should carefully consider the risk factors set out below and all other information contained in this AIF and in the Corporation's other public filings before making an investment decision. An investment in the Common Shares is speculative and involves a high degree of risk due to the nature of the Corporation's business. It is recommended that investors consult with their own professional advisors before investing in the Common Shares.

Risk Factors relating to the Corporation’s Business and Industry

Governmental regulation and funding, permits and licenses

Government regulations and funding play a key role in the Canadian healthcare sector. Any alleged failure by the Corporation to comply with applicable laws and regulations may lead to the imposition of fines and penalties or the denial, revocation or delay in the renewal of permits and licenses issued by governmental authorities. Furthermore, government policy related to healthcare spending can change and decisions can be made regarding funding that are largely beyond the Corporation’s control. Any change in governmental regulation, delisting of services, and licensing requirements relating to healthcare services could adversely affect the Corporation’s financial condition and results of operations. In addition, complying with changes in government regulations could require significant investments or could result in increased costs for the Corporation. The Corporation may also be subject to audits, fines, or other penalties in the event of non-compliance with regulations, either existing or proposed. Non-compliance could also adversely affect the reputation, operations or financial performance of the Corporation.

Geographic concentration

All of the Corporation’s clinics are located in Canada, specifically in the Province of Ontario and the Province of Alberta. As a result, the Corporation’s performance will be particularly sensitive to economic, political and regulatory changes in Canada, generally, and in the Province of Ontario and the Province of Alberta, specifically. Adverse changes in the economic condition, political or regulatory environment in Canada, generally, and in the Province of Ontario and the Province of Alberta, specifically may have a material adverse effect on the Corporation’s business, financial position, results of operations or cash flows.

Reliance on healthcare professionals

Physicians and other healthcare professionals provide essential services to the Corporation. An interruption, either temporary or permanent, in services provided by physicians and other healthcare professionals to the Corporation or its patients could have a material adverse effect on the Corporation’s business, financial position, results of operations or cash flows. In addition, the Corporation’s growth initiatives heavily rely on securing the services of additional physicians and other healthcare professionals. There are periodic shortages of certain medical physicians in Canada and this may affect the Corporation’s ability to secure the services of additional physicians and other healthcare practitioners in order to successfully execute the Corporation’s growth initiatives.

As of December 31, 2020, approximately 65 employees are represented by a union covered by a collective bargaining agreement, which is currently being renegotiated. While the Corporation maintains a positive relationship with its respective union, the renegotiations of the collective bargaining agreement could result in work disruption including work stoppages or work slowdowns. Should a work stoppage occur, it could interrupt the Corporation’s operations at the impacted clinics which in turn could adversely effect on the Corporation’s business, financial position, results of operations or cash flows.

Epidemic or pandemic outbreaks – COVID-19 pandemic

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn.

The ongoing COVID-19 pandemic has had, and could continue to have, a negative impact on the Corporation’s financial condition, results of operations, and cash flows. As of the date of this AIF, the COVID-19 pandemic and the measures imposed by the governments in response thereto has increased the cost of personal protective equipment used by healthcare professionals in the Corporation’s clinics; increased the Corporation’s labour costs as a result of complying with COVID-19-related government regulations and public health guidelines; reduced the Corporation’s existing patient appointments visits for those patients in quarantine or who are immunocompromised; reduced new patient consults that supports future revenue and growth; and restricted the Corporation’s ability to offer some programs that are part of patient therapy.

In response to the negative economic impact of COVID-19 pandemic, various government programs were announced to provide financial relief to affected businesses. The Corporation determined that it qualified for the Canada Emergency Wage Subsidy program under the COVID-19 Economic Response Plan in Canada. For the year ended December 31, 2020, the Corporation recognized payroll subsidies of $0.8 million under the Canada Emergency Wage Subsidy program.

The risk of resurgence of cases or variant strains of COVID-19 remains high and the timing and delay in vaccine rollouts remain uncertain. The extent to which such events impact the Corporation's business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted with any degree of confidence. Such events have had and could continue to have a material adverse effect on the Corporation's business, financial condition and results of operations. Even after the COVID-19 pandemic has subsided, the Corporation may continue to experience materially adverse impacts to its business as a result of the pandemic's global economic impact, and amplify various risks set forth herein.

Future acquisitions

The Corporation may acquire assets or businesses that it believes will provide more tools or allow the Corporation to provide more patients with the care and tools they need to live a complete and fulfilled life. The Corporation's acquisition strategy involves numerous risks, including, without limitation:

i. certain of the Corporation's acquisitions may prove unprofitable and fail to generate anticipated cash flows;
ii. to successfully manage a growing portfolio of medical services businesses and other properties, the Corporation may need to recruit additional senior management as there can be no assurance that senior management of acquired companies will continue to work for the Corporation and, in a highly competitive labour market, the Corporation cannot be certain that any of its recruiting efforts will succeed. In addition, the Corporation may need to expand corporate infrastructure to facilitate the integration of its operations with those of acquired properties, because failure to do so may cause the Corporation to lose the benefits of any expansion that it decides to undertake by leading to disruptions in the Corporation's ongoing businesses or by distracting management;
iii. entry into markets and geographic areas where the Corporation has limited or no experience;
iv. the Corporation may encounter difficulties in the integration of operations and systems;
v. management's attention may be diverted from other business concerns; and
vi. the Corporation may lose key employees of acquired companies.

Growth initiatives

The Corporation's ability to successfully grow its business through increasing utilization rates at existing clinics and through acquisitions will be dependent on a number of factors, including: successfully recruiting and training additional healthcare providers; attracting sufficient referrals from new and existing healthcare providers; the identification of suitable acquisition targets in both new and existing markets; the negotiation of purchase agreements on satisfactory terms and prices; securing attractive financing arrangements; and the integration of newly acquired operations into the existing business. Any acquisition will involve a number of risks, including: the inability to integrate the operations, personnel and information systems of the acquired business; the potential acquisition of previously undisclosed liabilities; the possibility that the Corporation pays more than the acquired business is worth; the increase in the operating complexity of the Corporation as a result of the acquisition; and the potential disruption of the Corporation's ongoing business and the diversion of management's attention from its day-to-day operations. Any failure by the Corporation to manage its acquisition strategy successfully could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Reliance on third-party referrals

The success of the Corporation's business depends, in part, in its ability to attract new patients, particularly in markets in which the Corporation has limited clinics or no brand awareness. In order to expand its patient base in these markets as well as existing markets, the Corporation depends on patient referrals from unaffiliated physicians, nurse practitioners and other third parties who have no contractual obligations to refer patients to the Corporation's clinics. If a significant number of physicians and other third parties were to discontinue or significantly reduce the rate at which they refer patients to the Corporation's clinics, the Corporation's treatment volume could materially decrease, which would reduce its revenue and operating margins, which could have a material adverse effect on the Corporation's business and financial condition.

Information technology

The Corporation will rely on the continued and uninterrupted performance of its information technology systems in order to transmit and store sensitive and confidential data, including personal health information. Sustained system failures or interruptions could disrupt the Corporation's ability to operate effectively, which in turn could adversely affect its business, results of operations and financial condition.

The Corporation's computer systems may be vulnerable to damage from a variety of sources, including physical or cyber-attacks, computer viruses and similar disruptive problems. There can be no assurance that the Corporation's controls will be adequate to safeguard against unanticipated problems leading to unauthorized access, use, or disclosure of sensitive information, corruption or destruction of data, or operational disruption.

In addition, the jurisdictions in which the Corporation operates have adopted breach of privacy and data security laws or regulations that require notification to consumers if the security of their personal information is breached, among other requirements. Governmental focus on data security may lead to additional legislative action, and the increased emphasis on information security may lead patients to request that the Corporation take additional measures to enhance security or restrict the manner in which the Corporation collects and uses patient information. As a result, the Corporation may have to modify its business systems and practices with the goal of further improving data security, which would result in increased expenditures and operating complexity.

A compromise of the Corporation's information technology systems or confidential information, or that of the Corporation's patients and third parties with whom the Corporation interacts, may result in negative consequences, including the inability to continue providing services to patients and customers, damage to the Corporation's reputation, potential liability under privacy, security, consumer protection or other applicable laws, regulatory penalties and additional regulatory scrutiny, any of which could have a material adverse effect on the Corporation's business, financial position, results of operations or cash flows for which the Corporation's insurance policies may not provide adequate compensation. In addition, evolving cyber threats may require significant investments by the Corporation or could result in increased costs for the Corporation.

Competition

The Corporation operates in competitive markets that can change rapidly and are highly impacted by the actions of other market participants. Aside from government regulations, licensing requirements, and relationships the Corporation has built up with healthcare providers, insurance companies, employers, and patients, there is little to prevent the entrance of new competitors providing similar services to those that are provided by the Corporation. There can be no assurance that the Corporation will be able to compete effectively for referrals from healthcare providers or insurance companies if better capitalized or more experienced competitors enter the Corporation's markets. In addition, new competitors could make it difficult for the Corporation to recruit new healthcare providers.

Reliance on key personnel

The Corporation is highly dependent upon its executive officers and key personnel. The unexpected loss of the services of any of these individuals could have a detrimental effect on the Corporation. There is no guarantee that the Corporation will retain members of its management team, and if the Corporation were to lose a member of its management team unexpectedly, its business, prospects, financial condition and results of operations may be adversely affected.

Confidentiality of personal and health information

Employees of the Corporation and its subsidiaries, in the course of their duties, will have access to personal health information and, specifically, medical histories of patients or claimants of clients of the Corporation. There can be no assurance that the Corporation's policies, procedures and systems will be adequate to address privacy legislation or the privacy concerns of existing and future patients or clients. The Corporation could be liable for damages, fines, penalties, or reputational damage in the event of a privacy breach or if a patient or client's privacy is violated.

Reliance on third parties

Third parties, including electronic medical record and information technology vendors, are integral to the Corporation's operations. If, for any reason, the Corporation could no longer access the services provided by these third parties, the Corporation would need to obtain such services from other providers. This could have a material adverse effect on the Corporation's business, financial position, results of operations or cash flows.

Uncertainty of liquidity and capital requirements

The Corporation's future capital requirements will depend on many factors, including the rate of growth of its client base, the costs of expanding into new markets and the growth of the chronic pain, sports medicine, concussion, and workplace health services markets. In order to meet such capital requirements, the Corporation may consider additional public or private financing (including the incurrence of debt and the issuance of additional equity securities) to fund all or a part of particular programs, which could entail dilution of the Common Shares. There can be no assurance that additional funding will be available when needed or, if available, that it will be available on favourable terms. If the Corporation fails to obtain adequate capital on a timely basis or if capital cannot be obtained at reasonable costs, the Corporation may have to curtail acquisition activities, reduce substantially or otherwise eliminate certain expenditures, including marketing of its services, or obtain funds through arrangements with corporate partners that may require the Corporation to relinquish rights to certain assets. There can be no assurance that the Corporation will be able to raise additional capital if its capital resources are exhausted.

The Corporation is subject to risks associated with leasing space and equipment. Any failure to make lease payments when due, or the inability to extend, renew or continue to lease space and equipment in key locations, would likely harm the Corporation's business, profitability and results of operations

The Corporation leases all but one of its clinic locations. In accordance with the Corporation's growth strategy, it also intends to expand into new geographic regions within Canada. Accordingly, the Corporation is subject to all of the risks associated with leasing, occupying and making tenant improvements to real property.

The success of any of the Corporation's clinics depends substantially upon its location. There can be no assurance that the Corporation's current locations will continue to be desirable in the future, or that the Corporation will be able to secure new desirable locations in the future on favourable terms or at all. Patient conversion and revenues may be adversely affected by, among other things, social and economic conditions in a particular area, competition from nearby pain management treatment facilities, out-of-pocket treatment costs, and changing lifestyle choices of patients in a particular market. If the Corporation cannot obtain desirable locations at reasonable costs, the Corporation's cost structure will increase and its revenues will be adversely affected.

Some of the lease agreements have additional renewal options. However, there can be no assurances that the Corporation will be able to extend, renew or continue to lease its existing clinic locations, or identify and secure alternative suitable locations.

The Corporation depends on cash flow from operations to pay its lease expenses and to fulfill other cash needs. If the Corporation's business does not generate sufficient cash flow from operating activities to fund these expenses and sufficient funds are not otherwise available, the Corporation may not be able to service its lease expenses, which could harm its business. If an existing or future location is not profitable, and the Corporation decides to close it, the Corporation may nonetheless be committed to perform its obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. In addition, if the Corporation is not able to enter into new leases or renew existing leases on terms acceptable to it, this could have an adverse effect on the Corporation's business and financial condition.

The regulatory framework in which the Corporation operates is constantly evolving

Healthcare laws and regulations are constantly evolving and could change significantly in the future. The Corporation closely monitors these developments and will modify its operations from time to time as the regulatory environment requires. There can be no assurances, however, that the Corporation will always be able to adapt its operations to address new law or regulations or that new laws or regulations will not adversely affect the Corporation's business. In addition, although the Corporation believes that it is operating materially in compliance with applicable federal and provincial laws and regulations, neither the Corporation's current or anticipated business operations nor the operations of the Corporation's contracted physician practices have been the subject of judicial or regulatory interpretation. The Corporation cannot assure investors that a review of the Corporation's business by courts or regulatory authorities will not result in a determination that could materially adversely affect the Corporation's operations or that the healthcare regulatory environment will not change in a way that materially restricts the Corporation's operations. Furthermore, governments, government agencies and industry self-regulatory bodies in the Canada may, from time to time, adopt statutes, regulations and rulings that directly or indirectly affect the activities of the Corporation. These regulations could adversely impact on the Corporation's ability to execute its business strategy and generate revenues as planned.

Insurance

All physicians working for the Corporation will be covered by their own malpractice insurance policies. In addition, the Corporation will maintain general liability, fire and flood insurance with policy specifications, limits and deductions for its clinics. There can be no assurance that the coverage will be sufficient or that, in the future, policies will be available at adequate levels of insurance or at acceptable costs. Moreover, there are certain types of risks, generally of a catastrophic nature, such as wars or natural disasters, which are either uninsurable or not insurable on an economically viable basis. Should an uninsured or underinsured loss occur, the assets of the Corporation may not be sufficient to satisfy these losses and this may have a material adverse effect on the Corporation's business, financial position, results of operations or cash flows.

Reliance on reimbursements by third-party insurance providers

The Corporation's revenue levels will be affected by the percentage of its patients with third-party insurance coverage. A patient's insurance coverage may change for a number of reasons, including changes in the patient's or a family member's employment status. If there is a significant change in the Corporation's payor mix, resulting in a reduction in the number of patients with third-party insurance coverage declining, the Corporation's revenues, earnings and cash flows could be substantially reduced.

Internal controls

Effective internal controls are necessary for the Corporation to provide reliable financial reports and to help prevent fraud. Although the Corporation will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Corporation under applicable securities laws, the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation's results of operations or cause it to fail to meet its reporting obligations. If the Corporation or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation's consolidated financial statements and materially adversely affect the trading price of the Common Shares.

Billing and collection systems

The Corporation's billing system is critical to the Corporation's billing operations. If there are defects in the billing system, the Corporation may experience difficulties in its ability to successfully bill and collect for services rendered, including a delay in collections, a reduction in the amounts collected, increased risk of retractions from and refunds to commercial and government payors, an increase in uncollectible accounts receivable and non-compliance with reimbursement regulations, any or all of which could have a material adverse effect on the Corporation's revenues, cash flows and operating results.

In addition, the Corporation accepts payments using a variety of methods, including credit cards and debit cards. For existing and future payment methods the Corporation offers its patients, the Corporation may become subject to additional regulations and compliance requirements, as well as fraudulent activities. For certain payment methods, including credit and debit cards, the Corporation pays interchange and other fees, which may increase over time, raising the Corporation's operating costs and lowering profitability. The Corporation relies on third party service providers for payment processing services, including the processing of credit and debit cards. The Corporation's business may be negatively affected if these third-party service providers become unwilling or unable to provide these services to the Corporation. The Corporation is also subject to payment card association operating rules, including data security and management rules, certification requirements and rules governing electronic funds transfers and if the Corporation fails to comply with these rules or requirements, or if the Corporation's data security systems are breached or compromised, the Corporation may be liable for card issuing banks' costs, subject to fines and higher transaction fees and/or lose its ability to accept credit and debit card payments from its patients and process electronic funds transfers or facilitate other types of payments, and the Corporation's business and operating results may be adversely affected.

Restrictions imposed by the RBC Loan Facilities

The RBC Loan Facilities imposes certain significant operating and financial restrictions on the Corporation. The RBC Loan Facilities includes various restrictive covenants relating to future acquisitions, indebtedness, operations, investments, capital expenditures and other standard operating business covenants, which significantly limit the ability of certain of the Corporation's material operating subsidiaries.

These restrictions could limit the Corporation's ability to capitalize on attractive growth opportunities for its business or otherwise engage in activities that may be in the Corporation's long-term best interests that are currently unforeseeable, particularly if the Corporation is unable to secure financing or make investments to take advantage of such opportunities.

The failure of the Corporation to comply with these covenants could result in an event of default that, if not cured or waived, could result in the acceleration of substantially all amounts outstanding under the RBC Loan Facilities. The Corporation may not have sufficient working capital to satisfy such debt obligations in the event of an acceleration of the RBC Loan Facilities which accounts for a significant portion of the Corporation's outstanding indebtedness. The RBC Loan Facilities are secured by all of the assets of the Corporation.

Risks of future legal proceedings

The Corporation may, from time to time, be subject to litigation claims in the ordinary course of its business. In particular, the Corporation can be subject to claims relating to actions of medical personnel performing services at the Corporation's clinics. Litigation is inherently costly and unpredictable, making it difficult to accurately estimate the outcome, among other matters. Any litigation could result in substantial costs and diversion of resources and could have a material adverse effect on the Corporation's business, financial conditions and results of operations.

The Corporation may be subject to additional taxes, which could affect the Corporation's operating results

The Corporation and its subsidiaries file all required income tax returns and is of the view that it is in material compliance with all applicable tax laws. However, such tax returns are subject to reassessment by the applicable jurisdictional tax authorities and the Corporation has been subject to such reassessments from time to time. In the event of a reassessment of the Corporation's tax returns, such reassessment may have an impact on current and future taxes payable.

Legislative changes may also have an adverse impact on the Corporation's operations and performance. Changes in tax related laws and regulations, and interpretations thereof, can affect tax burdens by increasing tax rates and fees, creating new taxes, limiting tax deductions, and eliminating tax-based incentives. In addition, jurisdictional tax authorities or courts may interpret tax regulations differently than the Corporation does, which could result in tax litigation and additional costs and penalties. Such legislative changes may have an adverse impact on the Corporation's business, financial condition and results from operations.

Potential conflicts of interests

Certain directors and officers of the Corporation will also serve as directors and/or officers of other companies or may have significant shareholdings in other companies including companies in the same sector. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Corporation and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest, in accordance with the procedures set forth in the OBCA and other applicable laws.

Increased costs as a result of being a public corporation

As a public issuer, the Corporation is subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Corporation's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase the Corporation's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on its personnel, systems and resources, which could adversely affect its business, financial condition, and results of operations.

The Corporation is a holding company

The Corporation is a holding company and virtually all of its assets consist of the equity it holds in Amalco and HealthPointe. As a result, investors are subject to the risks attributable to the Corporation's subsidiaries and any and all future affiliates. The Corporation does not have any significant assets and conducts substantially all of its business through its subsidiaries, which generate all or substantially all of the Corporation's revenues. The ability of the Corporation's subsidiaries to distribute funds to the Corporation will depend on their operating results, tax considerations and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by these subsidiaries and contractual restrictions contained in the instruments governing their debt, existing or if incurred. In the event of a bankruptcy, liquidation or reorganization of one or more of the Corporation's subsidiaries or any other future subsidiary, holders of indebtedness and trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to the Corporation.

Risks Related to the Common Shares

The Common Shares will be subject to various factors that may make the price of the Common Shares volatile

The market price of the Common Shares could fluctuate significantly, in which case it may not be possible to re-sell the Common Shares at or above the price of the Common Shares today. The market price of the Common Shares may fluctuate based on a number factors in addition to those set out elsewhere herein, including: (i) the COVID-19 pandemic; (ii) the Corporation's operating performance and the performance of the competitors and other similar companies; (iii) the public's reaction to the Corporation's news releases, other public announcements and the Corporation's filings with the various securities regulatory authorities; (iv) changes in earnings estimates or recommendations by research analysts who track the Common Shares or the securities of other companies in the industry that the Corporation operates; (v) changes in the general economic conditions and the overall condition of the financial markets; (vi) the arrival or departure of key personnel; and (vii) acquisition, strategic alliances or joint ventures involving the Corporation or its competitors.

In addition, the market price of the Common Shares will be affected by many variables not directly related to the Corporation's success and not within the Corporation's control, including developments that affect the healthcare industry as a whole, the breadth of the public market for the Common Shares, and the attractiveness of alternative investments. In addition, securities markets have experienced an extreme level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. As a result of these and other factors, the price of the Common Shares may be volatile in the future and may decline below the price of the Common Shares today. Accordingly, investors may not be able to sell its Common Shares at or above the price of the Common Shares today.

Liquidity

The price of the Common Shares may fluctuate in response to a number of events and factors, including but not limited to: the Corporation's financial condition, financial performance and future prospects; public announcements and the Corporation's filings with the various securities regulatory authorities and changes in general market and economic conditions. There can be no assurance that an active and liquid market will be developed for the Common Shares, and if developed, it may not be sustained, and an investor may find it difficult to resell any securities of the Corporation.

Dilution

The Corporation will require additional funds in respect of the further development of its business. If the Corporation raises funds by issuing additional equity securities, such financing will dilute the equity interest of its shareholders.

Any future profits will likely be used for the continued growth of the business and products and will not be used to pay dividends on the issued and outstanding Common Shares

The Corporation will not pay dividends on the issued and outstanding Common Shares in the foreseeable future. If the Corporation generates any future earnings such cash resources will be retained to finance further growth and current operations. The Board will determine if and when dividends should be declared and paid in the future based on the Corporation's financial position and other factors relevant at the particular time. Until the Corporation pays dividends, which it may never do, a shareholder will not be able to receive a return on his or her investment in the Common Shares unless such Common Shares are sold. In such event, a shareholder may only be able to sell his, her or its Common Shares at a price less than the price such shareholder originally paid for them, which could result in a significant loss of such shareholder's investment.

Significant shareholders

The shareholding levels of certain shareholders of the Corporation will give such shareholders significant influence on decisions to be made by shareholders, including the ability to influence the election of directors of the Corporation as well as the approval of future transactions requiring shareholder approval. There is a risk that the interests of the Corporation's significant shareholders will differ from those of other shareholders.

Sale of the Corporation's securities by directors, officers and/or significant shareholders

Subject to compliance with applicable securities laws, directors, officers and/or significant shareholders may sell some or all of their Common Shares in the future. No prediction can be made as to the effect, if any, such future sales of Common Shares by directors, officers and/or significant shareholders will have on the market price of the Common Shares prevailing from time to time. However, the future sale of a substantial number of Common Shares by management shareholders and/or significant shareholders, or the perception that such sales could occur, could adversely affect prevailing market prices for the Common Shares.

If industry analysts cease to publish research or publish inaccurate or unfavourable research about the Corporation or its business, the Corporation's trading price of its Common Shares or its trading volume could decline

The trading market for the Common Shares depends in part on the research and reports that industry or securities analysts publish about the Corporation or the Corporation's business. If the Corporation obtains industry or securities analyst coverage and if one or more of the analysts who cover the Corporation downgrade the Common Shares, the trading price of the Common Shares may decline. If one or more of the analysts cease coverage of the Corporation or fails to publish reports on the Corporation regularly, the Corporation could lose visibility in the financial markets, which in turn could cause the Common Share price or trading volume to decline. Moreover, if the Corporation's results of operations do not meet the expectations of the investor community, or one or more of the analysts who cover the Corporation publishes inaccurate or unfavourable research about the Corporation's business, the trading price of the Common Shares may decline.

Maintaining TSXV listing standards

The Corporation must meet continuing listing standards to maintain the listing of its Common Shares on the TSXV and there is no assurance that it will do so. If the Corporation fails to comply with listing standards the TSXV delists its Common Shares, the Corporation and its shareholders could face significant material adverse consequences, including significantly reduced liquidity for its Common Shares.

As a public company, the business is subject to evolving corporate governance and public disclosure regulations that may from time to time increase both the Corporation's compliance costs and the risk of non-compliance, which could adversely impact the price of the Common Shares.

DIVIDENDS

There are no restrictions in the Corporation's articles or by-laws preventing the Corporation from paying dividends. However, the provisions of the RBC Credit Facilities contain certain restrictions and covenants that, subject to certain exceptions, limit the Corporation's ability to pay dividends. In addition, the payment of dividends by the Corporation is governed by the liquidity and insolvency tests described in the OBCA which provides that a corporation shall not declare a dividend if there are reasonable grounds for believing that such corporation is insolvent or the payment of the dividend would render such corporation insolvent.

The Corporation has not declared or paid any dividends since incorporation. The Board anticipates that the Corporation will retain all future earnings and other cash resources for the future operation and development of its business, and accordingly, do not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Board after taking into account many factors including the Corporation's operating results, financial condition and current and anticipated cash assets.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, of which 45,068,446 Common Shares are issued and outstanding as fully paid and non-assessable and no preferred shares are issued or outstanding as at the date of this AIF (41,843,446 Common Shares and no preferred shares as of December 31, 2020).

In addition, as at the date of this AIF, there is an aggregate of 25,800,358 Common Shares issuable upon the due exercise of all outstanding stock options, warrants and compensation options of the Corporation (30,979,108 as of December 31, 2020).

Description of Common Shares

Each Common Share carries the right to attend and vote at all general meetings of shareholders. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available for the payment of dividends and upon the liquidation, dissolution or winding up of the Corporation are entitled to receive on a pro rata basis the net assets of the Corporation after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Description of Preferred Shares

The preferred shares of the Corporation are issuable from time to time in one or more series as determined by the Board. The preferred shares of the Corporation are non-voting and rank senior to the Common Shares with respect to the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation. The preferred shares of the Corporation do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Description of Warrants

As of the date of this AIF, there were 7,195,000 NeuPath Prefunded Warrants, 8,704,933 NeuPath QT Warrants, 6,670,000 NeuPath 2020 Warrants, 800,400 NeuPath 2020 Broker Warrants issued and outstanding (10,420,000 NeuPath Prefunded Warrants, 10,658,683 NeuPath QT Warrants, 6,670,000 NeuPath 2020 Warrants and 800,400 NeuPath 2020 Broker Warrants as of December 31, 2020).

(a) NeuPath Prefunded Warrants: Each NeuPath Prefunded Warrant entitles the holder thereof, subject to adjustments and restrictions, to acquire one Common Share at a price of $0.0001 per Common Share at any time on or before February 23, 2022, provided that the holder thereof will be prohibited from exercising the NeuPath Prefunded Warrant if as a result of the exercise, the holder thereof, together with its affiliates, would hold more than 4.99% of the total number of Common Shares outstanding immediately after giving effect to the issuance of Common Shares issuable upon exercise of the NeuPath Prefunded Warrant, provided that the holder thereof, may elect to increase or decrease, by written notice to the Corporation, such limitation percentage, provided that any increase (but not decrease) will not be effective until the 61st day after such notice is delivered to the Corporation. Notwithstanding the foregoing, in no event shall the beneficial ownership limitation exceed: (i) 9.99% of the number of Common Shares outstanding immediately after giving effect to the issuance of Common Shares upon exercise of the NeuPath Prefunded Warrant unless: (A) the holder thereof, provides the applicable stock exchange with a personal information form pursuant to the rules of such stock exchange; and (B) the form has been approved by such stock exchange; and (ii) 19.99% of the number of Common Shares outstanding immediately after giving effect to the issuance of Common Shares upon exercise of the NeuPath Prefunded Warrant. Each NeuPath Prefunded Warrant which is not exercised during such period, shall become void and the right to exercise such NeuPath Prefunded Warrants for Common Shares shall expire and terminate. 3,225,000 NeuPath Prefunded Warrants were exercised subsequent to December 31, 2020.

(b) NeuPath QT Warrants: Each NeuPath QT Warrant entitles the holder thereof to acquire one Common Share, subject to adjustments in certain circumstances, at the price per Common Share set forth in the respective warrant certificates, which ranges from $0.25 to $2.00. Each NeuPath QT Warrant is exercisable by the holder at any time after the date of issuance until the date set forth in each respective warrant certificate, which date ranges from February 23, 2021 to January 29, 2026. Each NeuPath QT Warrant which is not exercised during such period, shall become void and the right to exercise such NeuPath QT Warrants for Common Shares shall expire and terminate. 1,953,750 NeuPath QT Warrants expired on February 23, 2021 unexercised.

(c) NeuPath 2020 Warrants: Each NeuPath 2020 Warrant entitles the holder thereof, subject to adjustments in certain circumstances, to acquire one Common Share at a price of $1.25 per Common Share at any time on or before November 13, 2022. In the event that the volume weighted average trading price of the Common Shares for any twenty (20) consecutive trading days on the TSXV exceeds $1.75, the Corporation shall have the right to accelerate the expiry date of the November 2020 Warrants upon providing no less than 15 trading days' written notice to the holders of the November 2020 Warrants and issuing a news release announcing the acceleration, pursuant to the terms of the November 2020 Warrant Indenture. The NeuPath 2020 Warrants are governed by the terms and conditions of the November 2020 Warrant Indenture. The November 2020 Warrant Indenture includes customary adjustment and amendment provisions. In addition, the Corporation has made customary affirmative covenants, including with respect to the maintenance of its corporate existence, stock exchange listing, reporting issuer status while the November 2020 Warrant Indenture is in force.

(d) NeuPath 2020 Broker Warrants: Each NeuPath 2020 Broker Warrant entitles the holder thereof, subject to adjustments in certain circumstances, to acquire one Common Share at an exercise price of $0.90 per Common Share until November 13, 2022. Each NeuPath 2020 Broker Warrant which is not exercised during such period, shall become void and the right to exercise such NeuPath 2020 Broker Warrants for Common Shares shall expire and terminate.

Description of Compensation Options

As of the date of this AIF, there were 310,820 compensation options of the Corporation (each a "**Compensation Option**") issued and outstanding (310,820 Compensation Options as of December 31, 2020). Each Compensation Option entitles the holder thereof to acquire one Common Share, subject to adjustments in certain circumstances, at the price $1.00 per Common Share. Each Compensation Option is exercisable by the holder at any time after the date of issuance until the date set forth in each respective warrant certificate, which date ranges from December 3, 2021 to December 19, 2021. Each Compensation Option which is not exercised during such period, shall become void and the right to exercise such Compensation Option for Common Shares shall expire and terminate.

Description of Stock Options

On July 19, 2019, the Corporation adopted an incentive stock option plan, which was subsequently amended on April 9, 2020 (the "**2019 Stock Option Plan**"). Under the 2019 Stock Option Plan, 386,950 options (post-Consolidation) were issued to purchase Common Shares of the Corporation ("**Stock Options**"). In connection with the Qualifying Transaction, the Corporation adopted an amended and restated stock option plan (the "**2020 Stock Option Plan**"), which was approved by the shareholders of the Corporation at the annual and special meeting of shareholders of the Corporation held on June 23, 2020. The material terms and conditions of the 2020 Stock Option Plan are substantially similar to the terms ands and conditions of the 2019 Stock Option Plan.

Pursuant to the 2020 Stock Option Plan, the maximum number of Common Shares reserved for issuance is equal to 10% of the number of Common Shares issued and outstanding, on a non-diluted basis, at any time. Notwithstanding the foregoing, the number of Common Shares issued or to be issued under the 2020 Stock Option Plan and all other security based compensation agreements shall not exceed 20% of the total number of issued and outstanding Common Shares, on a non-diluted basis, as at the relevant grant date.

Stock Options may not be exercised later than 90 days following the date the optionee ceases to be a director, officer or employee of the Corporation or its affiliates or a consultant or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Stock Option. However, notwithstanding the foregoing, Stock Options that were granted pursuant to the 2019 Stock Option Plan (i) that were outstanding immediately prior to the completion of the Qualifying Transaction, and (ii) were held by directors or officers of that the Corporation that resigned in connection with the Qualifying Transaction, had their vesting terms accelerated such that the holders thereof are entitled to exercise all their respective Stock Options until June 25, 2021.

As of the date of this AIF, 1,921,030 Stock Options were issued under and governed by the terms of the 2020 Stock Option Plan (1,921,030 Stock Options as of December 31, 2020).

The following table sets forth all Stock Options that were issued and outstanding as of the date of this AIF:

Number of Stock Options Outstanding	Exercise Price	Expiry Date
700,000	1.00	November 30, 2025
375,000	1.00	November 30, 2024
459,080	0.87	September 1, 2027
322,459	1.00	June 25, 2021
46,500	1.00	December 3, 2024
17,991	1.00	April 9, 2025
Total: 1,921,030		

Description of Restricted Share Units

In connection with the Qualifying Transaction, the Corporation adopted a restricted share unit plan (the "**RSU Plan**"), which was approved by the shareholders of the Corporation at the annual and general meeting of shareholders of the Corporation held on June 23, 2020.

The maximum number of Common Shares reserved for issuance pursuant to the RSU Plan is 2,000,000 Common Shares. Notwithstanding the foregoing, the number of Common Shares issued or to be issued under the RSU Plan and all other security based compensation agreements shall not exceed 20% of the total number of issued and outstanding Common Shares, on a non-diluted basis, as at the relevant grant date.

Pursuant to the RSU Plan, the Board may grant restricted share units ("**RSUs**") to directors, officers, employees and consultants of the Corporation, subject to the terms and conditions of the RSU Plan. RSUs may be granted by the Board with such vesting conditions (typically based on continued service or achievement of personal or corporate objectives) as the Board may determine in its sole discretion. Each vested RSU may be redeemed for (i) one Common Share, (ii) cash representing the fair market value of such Common Shares on the vesting date or (iii) a combination of (i) and (ii), as determined by the Board in its sole discretion. Certain holders of RSUs may defer the receipt of all or any part of their entitlement to Common Shares and/or cash consideration in lieu of such Common Shares until a later date, in accordance with, and subject to restrictions as further set out in the RSU Plan.

As of the date of this AIF, 198,175 RSUs were issued under and governed by the terms of the RSU Plan (198,175 RSUs as of December 31, 2020).

The following table sets forth all of the RSUs that were issued and outstanding as of the date of this AIF:

Number of RSUs Outstanding	Number Vested	Exercise Price	Expiry Date
198,175	0	N/A	N/A

Notes:

(1) 160,675 RSUs vest 25% each anniversary date of grant date which was September 1, 2020 and 37,500 RSUs vest on September 1, 2021.

Fully Diluted Share Capital

The number of issued and outstanding Common Shares, Common Share purchase warrants, Compensation Options, Stock Options and RSUs on a fully converted basis as at the date of this AIF is as follows:

Type of Security	Number of Common Share equivalents
Common Shares	45,068,446
Common Share purchase warrants	23,370,333
Compensation Options	310,820
Stock Options	1,921,030
RSUs	198,175
Fully Diluted Common Shares as at March 26, 2021	70,868,804

MARKET FOR SECURITIES

The Common Shares are listed on the TSXV under the trading symbol "NPTH". Prior to the completion of the Qualifying Transaction the Common Shares were listed on the TSXV under the trading symbol "KHV.P". On July 6, 2020, the Common Shares, which were previously halted on March 20, 2020, as a result of the announcement of the Qualifying Transaction, resumed trading on the TSXV under the ticker symbol "NPTH".

The following table sets out the reported intraday high and low prices and the trading volume for the Common Shares on the TSXV information relating to the trading of the Common Shares during the year ended December 31, 2020.

	TSXV Price Range ($)		
Month	**High**	**Low**	**Total Volume**
January 2020[1]	0.205	0.18	54,500
February 2020[1]	0.20	0.195	37,500
March 2020[1]	0.20	0.195	69,000
April 2020	-	-	0
May 2020	-	-	0
June 2020	-	-	0
July 6 - 31, 2020[2]	0.90	0.65	812,467
August 2020[2]	1.05	0.67	3,241,457
September 2020[2]	0.99	0.80	1,036,589
October 2020[2]	1.43	0.77	3,667,338
November, 2020[2]	1.07	0.76	1,899,693
December 2020[2]	0.89	0.72	2,290,918

Notes:

(1) Trading information is shown on a pre-Consolidation basis.
(2) Trading information is shown on a post-Consolidation basis.

Prior Sales

The following table summarizes details of each class of securities that is outstanding but not listed or quoted on a marketplace issued by the Corporation during the year ended December 31, 2020.

Date of Issuance/Grant	Type of Security	Number of Securities	Issue/Exercise Price Per Security ($)	Reason for Issuance/Grant
June 25, 2020	Warrants	21,136,253[2]	See Note 1	In connection with the Arrangement, outstanding securities of 257 were exchanged for similar securities in the Corporation
June 25, 2020	Options	1,075,000	1.00	In connection with the Arrangement, outstanding stock options of 257 were exchanged for similar options in the Corporation
September 1, 2020	Options	459,080	0.87	Employee and board of director compensation
September 1, 2020	Restricted Share Units	198,175	0.87	Employee and board of director compensation
November 13, 2020	Warrants	6,670,000	1.25	In connection with the November 2020 Offering.
November 13, 2020	Broker Warrants	800,400	$0.90	Compensation for underwriters in connection with the November 2020 Offering

Notes:

(1) The exercise price of the Common Share purchase warrants issued pursuant to the Qualifying Transaction range from $0.0001 to $2.00.
(2) As of the date of this AIF, 3,225,000 NeuPath Prefunded Warrants were exercised and 1,953,750 NeuPath QT Warrants expired, unexercised.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The following table summarizes details of each class of securities that is subject to escrow as of the date of this AIF.

Class of Securities	Number of Securities Held in Escrow[1]	Percentage of Class
Common Shares	11,855,213	26.3%
Warrants	322,188	1.4%

Notes:

(1) The escrow securities have been placed in escrow pursuant to the policies of the TSXV and will be released in accordance with the terms and conditions of the CPC Seed Escrow Agreement and the QT Escrow Agreement, respectively.

The CPC Seed Escrow Agreement provides for a three year escrow release mechanism, subject to acceleration in certain circumstances. An initial 10% of the escrowed securities thereunder was released from escrow on the date of the issuance of the final exchange bulletin relating to the Qualifying Transaction. An additional 15% of the escrowed securities was released six months from the issuance of the final exchange bulletin. An additional 15% of the escrowed securities will be released on the dates that are 12 months, 18 months, 24 months, 30 months and 36 months, following the initial release date, being the date of the final exchange bulletin relating to the Qualifying Transaction.

The QT Escrow Agreement provides for a three year escrow release mechanism, subject to acceleration in certain circumstances. An initial 10% of the escrowed securities was released from escrow on the date of the issuance of the final exchange bulletin relating to the Qualifying Transaction. An additional 15% of the escrowed securities was released six months from the issuance of the final exchange bulletin. An additional 15% of the escrowed securities will be released on the dates that are 12 months, 18 months, 24 months, 30 months and 36 months, following the initial release date, being the date of the final exchange bulletin relating to the Qualifying Transaction.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following are the names and municipalities of residence of each director and executive officer of the Corporation, the positions and offices to be held with the Corporation, their respective principal occupations within the five preceding years and the number and percentage of common shares of the Corporation which are held by each of them.

Name and city of residence of each Director and Officer	Position held with the Corporation	Principal Occupation for the last five years	Director of the Corporation since	Number and Percentage of Common Shares[4]
Dianne Carmichael[3] *Creemore, Ontario*	Director (Chair)	Carmichael Worldwide Inc., an advisory services firm (2011 - present) President Payer Markets and Head of Corporate Strategy and M&A, McKesson, a healthcare company (2017 - 2018)	June 25, 2020	Nil
Jolyon Burton *Toronto, Ontario*	Director	President and Head of Investment Banking, Bloom Burton Securities Inc., a healthcare sector investment banking firm (2009 – Present)	June 25, 2020	Nil[1]

Name and city of residence of each Director and Officer	Position held with the Corporation	Principal Occupation for the last five years	Director of the Corporation since	Number and Percentage of Common Shares[(4)]
Daniel Chicoine[(2)] *Port Sydney, Ontario*	Director	Executive Chairman, Crescita Therapeutics Inc., a commercial dermatology company (April 2018 – Present) Executive Chairman and CEO, Crescita Therapeutics Inc. (2016 – March 2018) Chairman and Co-Chief Executive Officer, Nuvo Research Inc. (2009 – 2016)	June 25, 2020	Nil
Sasha Cucuz[(3)] *North York, Ontario*	Director	CEO, Greybrook Securities, Inc., a corporate finance and investment banking firm (2005 - Present)	June 25, 2020	Nil
Dan Legault[(2)(3)] *Toronto, Ontario*	Director	President and CEO, Antibe Therapeutics, a biotechnology company (2009 – Present)	April 17, 2019	50,000 (<0.1%)
Grishanth Ram *Mississauga, Ontario*	Director	Executive Director, NeuPath (February 2019 to December 2019) CEO, NeuPath (March 2018 – February 2019) Chief Operating Officer, InMedic Creative Medicine, a biotechnology company (2011 –2019)	June 25, 2020	4,940,000 (11.0%)
Joseph Walewicz[(2)] *Westmount, Quebec*	Director	CFO, Fibrocor Therapeutics Inc., a biotechnology company (January 2021 – present) Executive Vice President, Business and Corporate Development, Clementia Pharmaceuticals, a biotechnology company (2017 - 2019) Vice Present, Healthcare, Institutional Equity Research at Laurentian Bank Securities, an investment firm (2014 – 2017)	June 25, 2020	Nil
Grant Connelly *Burlington, Ontario*	CEO	CEO, NeuPath (2019 – Present) General Manager, NeuPath (2018 – 2019) CEO, VroomHealth Inc., services provider in the healthcare industry (2013 - 2018)	June 25, 2020	85,950 (<0.2%)
Stephen Lemieux *Oakville, Ontario*	CFO and Corporate Secretary	CFO, NeuPath (2019 – Present) CFO and Secretary, Cipher Pharmaceuticals, a biotechnology company (September 2016 – March 2019) Vice President and CFO, Crescita Therapeutics Inc., a commercial dermatology company (March 2016 – September 2016) Vice President and CFO, Nuvo Pharmaceuticals Inc., a healthcare company (January 2012 – September 2016)	June 25, 2020	82,500 (<0.2%)

Notes:

(1) Mr. Burton is the President and Head of Investment Banking of Bloom Burton Securities Inc., which holds, directly and indirectly, 4,425,000 Common Shares, representing approximately 9.8% of the issued and outstanding Common Shares, on a non-diluted basis.
(2) Member of the Audit Committee.
(3) Member of the compensation, nomination and corporate governance committee of the Board.
(4) The percentage is based on 45,068,446 Common Shares issued and outstanding as of the date of this AIF, on a non-diluted basis.

Directors are elected annually and hold office until the Corporation's next annual general meeting of shareholders of the Corporation or until his or her successor is appointed or elected a successor is elected, unless a director's office is earlier vacated in accordance with the by-laws of the Corporation.

As at the date of this AIF, the directors and executive officers of the Corporation, as a group, beneficially owned, directly or indirectly, 5,158,450 Common Shares constituting approximately 11.4% of the issued and outstanding Common Shares on a non-diluted basis.

Cease Trade Orders

To the knowledge of the Corporation, no director or executive officer of the Corporation is, or within the ten years prior to the date hereof has been, a director, chief executive officer, or chief financial officer, of any company (including the Corporation) that was subject to (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty consecutive days, issued while that person was acting in such capacity or issued thereafter but resulted from an event that occurred while that person was acting in such capacity.

Bankruptcies

To the knowledge of the Corporation, no director or executive officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, or within the ten years prior to the date hereof has been, a director or executive officer of any company (including the Corporation) that, while that person was acting in such capacity or within a year of that person ceasing to act in such 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.

To the knowledge of the Corporation, no director or executive officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold that person's assets.

Penalties and Sanctions

No director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

All of the above disclosure also applies to any personal holding companies of any of the persons referred to above.

Conflicts of Interest

Directors and officers of the Corporation may also serve as directors and/or officers of, or otherwise be involved with or consulted by, other companies engaged in the health services industry and may be presented from time to time with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arm's length negotiations but only through exercise by the officers and directors of such judgment as is consistent with their fiduciary duties to the Corporation which arise under applicable corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as directors or officers of the Corporation. It is expected that all conflicts of interest will be resolved in accordance with the OBCA, the Corporation's by-laws and internal governance policies. It is expected that any transactions with officers and directors of the Corporation will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Corporation, and, depending upon the magnitude of the transactions and the absence of any disinterested board members, may be submitted to the shareholders for their approval. As of

December 31, 2020, there are no existing or potential material conflicts of interest the Corporation and any of the directors and/or officers of the Corporation.

PROMOTERS

Within the two most recently completed financial years, each of Eva Koci, Nicole Rusaw, Walt Macnee and Dan Legault may be considered "promoters" of the Corporation under applicable securities laws as they took the initiative in founding and organizing the Corporation. Each of Eva Koci, Nicole Rusaw and Walt Macnee resigned from their respective positions as directors and/or officers of the Corporation on June 25, 2020 in connection with the completion of the Qualifying Transaction.

To the knowledge of the Corporation, as of December 31, 2020, each promoter held the following equity securities in the Corporation:

Name of Promoter	Position held with the Corporation	Number and Percentage of Common Shares[5]
Dan Legault[1]	Current Director	50,000 (<0.2%)
Eva Koci[2]	Prior CEO and Director	90,000 (0.2%)
Nicole Rusaw[3]	Prior CFO and Director	9,000 (<0.1%)
Walt Macnee[4]	Prior Director	161,550 (0.4%)

Notes:

(1) Dan Legault also holds 64,491 Stock Options to purchase 64,941 Common Shares at an exercise price of $1.00 that expire from December 3, 2024 to April 9, 2025 and 31,250 Stock Options to purchase 31,250 Common Shares at an exercise price of $0.87 that expire September 1, 2027.
(2) Eva Koci also holds 128,983 Stock Options to purchase 128,983 Common Shares at an exercise of $1.00 that expire on June 25, 2021.
(3) Nicole Rusaw also holds 128,983 Stock Options to purchase 128,983 Common Shares at an exercise price of $1.00 that expire on June 25, 2021.
(4) Walt Macnee also holds 64,492 Stock Options to purchase 64,492 Common Shares at an exercise price of $1.00 that expire on June 25, 2021.
(5) The percentage is based on 45,068,446 Common Shares issued and outstanding as of the date of this AIF.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no material legal proceedings or regulatory actions to which the Corporation or a subsidiary of the Corporation is a party or of which any of their respective property is the subject matter and no such legal proceedings or regulatory action known to the Corporation are contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as provided herein, there are no material interests, direct or indirect, of directors, executive officers, any shareholders who beneficially own, or controls or directs, directly or indirectly, more than 10% of the Common Shares, or any known associates or affiliates of such persons, in any transaction within the last three completed financial years or during the current financial year which has materially affected or is reasonably expected to materially affect the Corporation.

INTEREST OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by the Corporation other than Ernst & Young LLP, Chartered Professional Accountants, the Corporation's auditor. The Corporation's consolidated financial statements as at December 31, 2020 and 2019 have been audited by Ernst & Young LLP, as indicated in their report dated March 25, 2021. Ernst & Young LLP has been the Corporation's auditors since August 13, 2020.

Ernst & Young LLP has advised that they are independent with respect to the Corporation within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario (registered name of the Institute of Chartered Accountants of Ontario).

TRANSFER AGENT

TSX Trust Company, at its principal office in Toronto, Ontario, is the transfer agent and registrar for the Common Shares and the warrant agent and registrar for the November 2020 Warrants.

MATERIAL CONTRACTS

The are no material contracts required to be disclosed that have been entered into by the Corporation within the most recently completed fiscal year or before the most recently completed fiscal year but still in effect other than contracts entered into in the ordinary course of business not otherwise required to be disclosed.

AUDIT COMMITTEE INFORMATION

The Audit Committee's Charter

The full text of the Corporation's Audit Committee Charter is appended hereto as Appendix "A".

Composition of the Audit Committee and Relevant Education and Experience

The members of the Audit Committee are Daniel Chicoine (Chair), Dan Legault and Joseph Walewicz. All the members of the Audit Committee are independent and financially literate in accordance with National Instrument 52-110 – *Audit Committees*. A brief summary of each member's relevant education and experience is provided below.

Daniel Chicoine is currently Executive Chairman of Crescita Therapeutics Inc. (TSX:CTX), where he oversees the investor relations function, and advises management on certain strategic business development projects from time to time. From March 1, 2016 until April 2, 2018, Mr. Chicoine served as Crescita's Chairman and Interim Chief Executive Officer, at which time he was succeeded by Mr. Verreault. Mr. Chicoine served as Nuvo Research's Chairman and Co-CEO and was actively involved in its day-to-day operations from 2004 to 2016 when Crescita became a reporting issuer following the reorganization of Nuvo Research into two separate publicly traded entities, Crescita and Nuvo Pharmaceuticals Inc. Prior to 2004, Mr. Chicoine held various senior executive positions at the Magna International group of companies, including President and Chief Executive Officer and Chief Financial Officer, and was the President of PowerCart Systems Inc., a Markham-based private company that designs and manufactures battery-equipped workstations that power devices with wireless communication capability. Mr. Chicoine is a graduate of the University of Toronto in commerce and is a Chartered Professional Accountant.

Dan Legault is the CEO of Antibe Therapeutics (TSXV:ATE) since 2009. Trained as a corporate lawyer and as an air force rescue pilot, Mr. Legault's career has evolved to focus on high-growth, mostly technology-based companies. His CEO-level experience includes organizations specializing in data analytics, IT and consumer marketing. Mr. Legault has served on the boards of directors of International Save the Children and of Green Shield Canada, a leading health benefits administrator. Mr. Legault continues to serve as a board member and advisor to several companies and not-for-profit organizations. Mr. Legault is a member of the Law Society of Upper Canada and the New York State Bar.

Joseph Walewicz is the CFO of Fibrocor Therapeutics Inc. since January of 2021. Previously, Mr. Walewicz was Executive Vice President, Business and Corporate Development of Clementia Pharmaceuticals, a NASDAQ-listed company, from 2017 to 2019 prior to Clementia's acquisition by Ipsen Pharmaceuticals for US$1 billion in April of 2019. Mr. Walewicz has spent 25 years in biopharma, serving on the board and at the executive level of multiple publicly traded biopharma companies including Clementia Pharmaceuticals, MethylGene (now Mirati Therapeutics

Inc.), Warnex Inc. and Paladin Labs, and as a top ranked equities analyst for major banks including CIBC, BMO, Lehman Brothers where he covered publicly traded North American biotechnology, pharmaceuticals, medtech and healthcare services companies. Mr. Walewicz holds a Master of Business Administration, Finance (McGill), as well as a Bachelor of Science, Biochemistry, and a Bachelor of Arts, Economics from Queen's University. Mr. Walewicz is also a CFA (Chartered Financial Analyst) charterholder and a member of the Licensing Executives Society (LES).

Audit Committee Oversight

The Audit Committee oversees the accounting and financial reporting practices and procedures of the Corporation and the audits of the Corporation's financial statements. The principal responsibilities of the Audit Committee include: (i) overseeing the quality and integrity of the internal controls and accounting procedures of the Corporation, including reviewing the Corporation's procedures for internal control with the Corporation's auditor and Chief Financial Officer; (ii) reviewing and assessing the quality and integrity of the Corporation's annual and quarterly financial statements and related management discussion and analysis, as well as all other material continuous disclosure documents, such as the Corporation's annual information form; (iii) monitoring compliance with legal and regulatory requirements related to financial reporting; (iv) reviewing and approving the engagement of the auditor of the Corporation and independent audit fees; (v) reviewing the qualifications, performance and independence of the auditor of the Corporation, considering the auditor's recommendations and managing the relationship with the auditor, including meeting with the auditor as required in connection with the audit services provided to the Corporation; (vi) assessing the Corporation's financial and accounting personnel; (vii) reviewing the Corporation's risk management procedures; (viii) reviewing any significant transactions outside the Corporation's ordinary course of business and any pending litigation involving the Corporation; and (ix) examining improprieties or suspected improprieties with respect to accounting and other matters that affect financial reporting.

Pre-Approval Policies and Procedures

The Audit Committee has adopted policies and procedures with respect to the pre-approval of permitted non-audit services by Ernst & Young LLP. The Audit Committee has established a budget for the provision of a specified list of permitted non-audit services that the Audit Committee believes to be typical, recurring or otherwise likely to be provided by Ernst & Young LLP. The budget generally covers the period between the adoption of the budget and the next meeting of the Audit Committee, but at the option of the Audit Committee it may cover a longer or shorter period. The list of services is sufficiently detailed as to the particular services to be provided to ensure that: (i) the Audit Committee knows precisely what services it is being asked to pre-approve; and (ii) it is not necessary for any member of management to make a judgment as to whether a proposed service fits within the pre-approved services.

The Audit Committee has delegated authority to the Chair of the Audit Committee (or if the Chair is unavailable, any other member of the Audit Committee) to pre-approve the provision of permitted non-audit services by Ernst & Young LLP that have not otherwise been pre-approved by the Audit Committee, including the fees and terms of the proposed services ("**Delegated Authority**"). All pre-approvals granted pursuant to Delegated Authority must be presented by the member(s) who granted the pre-approvals to the full Audit Committee at its next meeting. All proposed services, or the fees payable in connection with such permitted non-audit services, that have not already been pre-approved must be pre-approved by either the Audit Committee or pursuant to Delegated Authority. Prohibited services may not be pre-approved by the Audit Committee or pursuant to Delegated Authority.

External Auditors Service Fees (By Category)

The aggregate fees billed and accrued by the Corporation's external auditors in the last two fiscal years for auditor service fees were as follows:

Financial Year Ending	Audit Fees[1]	Audit Related Fees[2]	Tax Fees[3]	All Other Fees[4]
December 31, 2020	629,163	-	-	-
December 31, 2019	30,500	-	-	-

Notes:

(1) Audit fees for 2020 represents fees paid to the Corporation's current auditors, Ernst & Young LLP and the Corporation's previous auditors, MNP LLP and Zeifmans LLP, for work related to the audit and the November 2020 Offering. Audit fees in 2019 represents fees paid to the Corporation's previous auditors, Zeifmans LLP, for the audit of the Corporation's financial statements for the year ended December 31, 2019.

ADDITIONAL INFORMATION

Additional information about the Corporation may be found under the Corporation's profile on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, options to purchase securities and securities authorized for issuance under the Corporation's equity compensation plans, is contained in the Corporation's management information circular for its most recent annual meeting of shareholders. Additional information may also be found in the Corporation's audited financial statements and related management's discussion and analysis for the year ended December 31, 2020.

APPENDIX A

NEUPATH HEALTH INC.

AUDIT COMMITTEE CHARTER

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1. PURPOSE

The audit committee (the "**Committee**") has been established by resolution of the board of directors (the "**Board**") of NeuPath Health Inc. (the "**Corporation**") for the purpose of assisting the Board in fulfilling its oversight responsibilities in relation to the accounting and financial reporting processes of the Corporation, audits of the financial statements of the Corporation, review of the Corporation's systems of internal controls and in relation to risk management matters including:

(a) the review of the annual and interim financial statements of the Corporation;

(b) the integrity and quality of the Corporation's financial reporting and systems of internal control, and financial risk management;

(c) the Corporation's compliance with legal and regulatory requirements;

(d) the qualifications, independence, engagement, compensation and performance of the Corporation's external auditor (the "**Corporation's Auditor**"); and

(e) the exercise of the responsibilities and duties set out in this charter (the "**Charter**").

2. COMPOSITION

The members of the Committee shall be appointed by the Board from amongst the directors of the Corporation (the "**Directors**") and shall be comprised of not less than three members. All of the members of the Committee shall be "independent", as such term is defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").

All members of the Committee shall be "financially literate", as such term is defined in NI 52-110 or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Members of the Committee and the chairperson of the Committee (the "**Chair**") will be appointed or re-appointed annually by the Board, on the recommendation of the compensation, nominating and corporate governance committee (the "**CNCG Committee**"), at the first meeting of the Board after the annual general meeting of shareholders at which he or she is elected. Any member of the Committee may be removed or replaced at any time by the Board and will serve until such member's successor is appointed, unless that member resigns or otherwise ceases to be a director of the Corporation. The Board will immediately fill any vacancy if the membership of the Committee is less than three directors. If and whenever a vacancy will exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.

No Director who serves as board member of any other corporation shall be eligible to serve as a member of the Committee unless the Board has determined that such simultaneous service would not impair the ability of such member to effectively serve on the Committee. Determinations as to whether a particular Director satisfies the requirements for membership on the Committee shall be made by the CNCG Committee. No member of the Committee shall receive from the Corporation or any of its affiliates any compensation other than the fees to which he or she is entitled as a Director of the Corporation or a member of a committee of the Board. Such fees may be paid in cash and/or shares, options or other in-kind consideration ordinarily available to Directors.

3. MEETING PROTOCOLS

The Committee shall meet at least once every quarter and shall meet at such other times during each year as the Chair deems appropriate. The Chair, any member of the Committee, the Corporation's Auditor, the Chairman of the Board, the Chief Executive Officer of the Corporation ("**CEO**") or the Chief Financial Officer of the Corporation ("**CFO**") may call a meeting of the Committee by notifying the Corporation's corporate secretary, who will notify the members of the Committee. If the Chair is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting. A majority of members of the Committee shall constitute a quorum.

At least five days' notice of any meeting of the Committee shall be given in writing to each member of the Committee by any means of transmitted or recorded communication that produces a written copy, including by email. Notice may be waived or shortened with the consent of all the members of the Committee. Attendance by a member at a meeting notwithstanding any failure to give notice in accordance with this Charter shall be deemed to constitute waiver of notice of such meeting by such member. Notice of each meeting of the Committee shall also be given to the Chairman of the Board, the CEO, the CFO, and, as applicable, to the Corporation's Auditor.

The Chairman of the Board, the CEO and the CFO, if invited by the Chair, attend and speak at meetings of the Committee. Other Board members shall also, if invited by the Chair have the right of attendance. A representative of the Corporation's Auditor shall have the right to attend and speak at any meeting of the Committee, and may attend if invited by the Chair, in either case at the expense of the Corporation.

The Committee may also invite any other officers or employees of the Corporation, legal counsel, the Corporation's financial advisors and any other persons to attend meetings and give presentations with respect to their area of responsibility, as considered necessary by the Committee.

At quarterly meetings where the Auditors are in attendance, representatives of the Corporation's Auditor shall meet the Committee without any of the executive Directors or other members of management in attendance, except by invitation of the Committee.

The Committee shall at each meeting appoint one of its members or any other attendee to be the secretary of the Committee.

Every question at a Committee meeting shall, if necessary, be decided by a majority of the votes cast.

Subject to any statutory or regulatory requirements or the articles and by-laws of the Corporation, the Committee shall fix its own procedures at meetings, maintain minutes or other records of its proceedings in sufficient detail to convey the substance of all discussions held and report to the Board at the next meeting of the Board. The minutes of the Committee's meetings shall be tabled at the next meeting of the Board.

The Committee shall prepare a report to shareholders or others, concerning the Committee's activities in the discharge of its responsibilities, when and as required by the by-laws of the Corporation or applicable laws or regulations.

4. AUTHORITY

The Committee is authorized by the Board to:

(a) investigate any matter within its Charter;

(b) have direct communication with the Corporation's Auditor;

(c) seek any information it requires from any employee of the Corporation; and

(d) retain, at its discretion, outside legal counsel, or accounting or other advisors, at the expense of the Corporation, to obtain advice and assistance in respect of any matters relating to its duties, responsibilities and powers as provided for or imposed by this Charter or otherwise by law or the by-laws of the Corporation.

5. ROLES AND RESPONSIBILITIES

The Committee shall have the roles and responsibilities set out below, as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these roles and responsibilities, the Committee shall perform the duties required of an audit committee by any exchange upon which securities of the Corporation are traded, or any governmental or regulatory body exercising authority over the Corporation.

(a) Review of Accounting and Financial Reporting Matters

1. Review the Corporation's interim and annual financial statements and management's discussion & analysis of operations (the "**MD&A**"); annual information forms and earnings press releases prior to their public disclosure and Board approval, where required, and ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.

2. Following such review with management and the Corporation's Auditor, recommend to the Board whether to approve the annual or interim financial statements and MD&A and any other filings with the applicable securities commissions.

3. Monitor, in discussion with the Corporation's Auditor, the integrity of the financial statements of the Corporation before submission to the Board, focusing particularly on, among other things:

   A. significant accounting policies and practices and any changes in such accounting policies and practices;

   B. major judgment areas including significant estimates and key assumptions;

   C. significant adjustments resulting from the audit;

   D. the going concern assumption;

   E. compliance with accounting standards including the effects on the financial statements of alternative methods within generally accepted accounting principles;

   F. the Corporation's Auditor's judgment about the quality, not just the acceptability, of the accounting principles applied in the Corporation's financial reporting;

   G. compliance with stock exchange and legal requirements;

   H. the extent to which the financial statements are affected by any unusual transactions;

I. significant off-balance sheet and contingent asset and liabilities and the related disclosures;

J. significant interim review audit findings during the year, including the status of previous audit recommendations; and

K. all related party transactions with the required disclosures in the financial statements.

4. On at least an annual basis, review with the Corporation's legal counsel and management, all legal and regulatory matters and litigation, claims or contingencies, including tax assessments, that could have a material effect upon the financial position of the Corporation, and the manner in which these matters may be, or have been, disclosed in the financial statements.

(b) Relationship with the Corporation's Auditor

1. Consider and make recommendations to the Board, for it to put to the shareholders for their approval in a general or special meeting, in relation to the appointment, re-appointment and removal of the Corporation's Auditor and to approve the compensation and terms of engagement of the Corporation's Auditor for the annual audit, interim reviews and any other audit related services.

2. Require the Corporation's Auditor to report directly to the Committee.

3. Discuss with the Corporation's Auditor, before an audit commences, the nature and scope of the audit, and other relevant matters.

4. Review and monitor the independence, objectivity and performance of the Corporation's Auditor and the effectiveness of the audit process taking into consideration relevant professional and regulatory requirements.

5. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Corporation.

6. Discuss problems and reservations arising from an audit, and any matters the Corporation's Auditor may wish to discuss (in the absence of management where necessary).

7. Review the Corporation's Auditor's management letter and management's response.

8. Develop and implement a pre-approval policy on the engagement of the Corporation's Auditor to supply non-audit services to the Corporation and its subsidiaries, taking into account relevant ethical guidance regarding the provision of non-audit services by the Corporation's Auditor and the preservation of their independence.

9. Consider the major findings of the Corporation's Auditor and management's response, including the resolution of disagreements between management and the Corporation's Auditor regarding financial reporting.

(c) Review of Disclosure Controls & Procedures ("**DC&P**") and Internal Controls Over Financial Reporting ("**ICFR**")

1. Monitor and review the Corporation's Disclosure Policy on an annual basis.

2. In conjunction with each fiscal year end, review management's assessment of the design and effectiveness of Corporation's DC&P including any control deficiencies identified and the related remediation plans for any significant or material deficiencies.

3. In conjunction with each fiscal year end, review management's assessment of the design and effectiveness of the Corporation's ICFR including any control deficiencies identified and the related remediation plans for any significant or material deficiencies.

4. Review and discuss any fraud or alleged fraud involving management or other employees who have a role in the Corporation's ICFR and the related corrective and disciplinary action to be taken.

5. Discuss with management any significant changes in the ICFR that are disclosed, or considered for disclosure, in the MD&A, on a quarterly basis.

6. Review and discuss with the CEO and the CFO the procedures undertaken in connection with CEO and CFO certifications for the annual and interim filings with the securities commissions.

7. Review the adequacy of internal controls and procedures related to any corporate transactions in which directors or officers of the Corporation have a personal interest, including the expense accounts of senior officers of the Corporation and officers' use of corporate assets.

(d) Review of the Corporation's Financing and Insurance

1. Review the adequacy of the Corporation's insurance policies.

2. Review all major financings of the Corporation and its subsidiaries and annually review the Corporation's financing plans and strategies.

(e) Financial Risk Management

1. Review with the CEO and CFO and the Corporation's Auditor their assessment of the significant financial risks and exposures of the Corporation and discuss with management the steps which the Corporation has taken to monitor and control such exposures.

2. Review current and expected future compliance with covenants under any financing agreements.

3. Review any other significant financial exposures including such things as tax audits, government audits or any other activities that expose the Corporation to the risk of a material financial loss.

4. Report the results of such reviews to the Board for the purpose of assisting the Board in identifying the principal business risks associated with the businesses of the Corporation.

(f) Establishment of Procedures for the Receipt and Treatment of Complaints regarding Accounting, Internal Accounting Controls, or Auditing Matters

Establish procedures for:

A. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters;

B. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters; and

C. the investigation of such matters with appropriate follow-up action.

(g) Corporate Governance

The Committee may, if requested:

A. review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to insurance, accounting, management reporting and risk management; and

B. review with management and the external auditor their assessment of the significant financial risks and exposures of the Corporation and discuss with management the steps which the Corporation has taken to monitor and control such exposures.

(h) Complaints and Employee Submissions

The Committee shall establish procedures for:

A. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

B. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

6. COMMITTEE EFFECTIVENESS PROCEDURES

The Committee shall review its Charter on an annual basis, or more often as required, to ensure that they remain adequate and relevant, and incorporate any material changes in statutory and regulatory requirements and the Corporation's business environment.

The procedures outlined in this Charter are meant to serve as guidelines, and the Committee may adopt such different or additional procedures as it deems necessary from time to time.

In setting the agenda for a meeting, the Chair shall encourage the Committee members, management, the Corporation's Auditor and other members of the Board to provide input in order to address emerging issues.

Prior to the beginning of a fiscal year, the Committee shall submit an annual planner for the meetings to be held during the upcoming fiscal year, for review and approval by the Board to ensure compliance with the requirements of the Committee's Charter.

Any written material provided to the Committee shall be appropriately balanced (i.e. relevant and concise) and shall be distributed at least five business days in advance of the respective meeting to allow Committee members sufficient time to review and understand the information.

The Committee shall conduct an annual self-assessment of its performance and this Charter, and shall make recommendations to the Board with respect thereto.

Members of the Committee shall be provided with appropriate and timely training to enhance their understanding of auditing, accounting, regulatory and industry issues applicable to the Corporation.

New Committee members shall be provided with an orientation program to educate them on the Corporation, their responsibilities and the Corporation's financial reporting and accounting practices.

7. CHARTER REVIEW

The Committee shall review and assess the adequacy of this Charter annually and recommend to the Board any changes it deems appropriate.

8. CURRENCY OF THIS CHARTER

The Board adopted this Charter on May 15, 2020 and amended this Charter on October 30, 2020.