

STAND-BY PURCHASE AGREEMENT

THIS AGREEMENT is made as of April 25, 2016,

BETWEEN

BIODE VENTURES LTD., a corporation existing under the laws of the Province of British Columbia ("**BioDE**")

AND:

PARTNERS' FUND, a trust existing under the laws of Canada and its manager **PATHFINDER ASSET MANAGEMENT LIMITED** (the "**Stand-by Purchaser**")

WHEREAS:

- A. BioDE has agreed to effect an offering of Rights to the holders of record of its Common Shares on the terms and conditions set forth in this Agreement; and
- B. The Stand-by Purchaser has agreed to purchase all of the Common Shares offered under the Rights Offering that are not otherwise purchased under the Rights Offering, subject to the limits and the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

**ARTICLE 1
INTERPRETATION**

- 1.1 Definitions.** In this Agreement, unless something in the subject matter is inconsistent therewith:

"2016 Annual Financial Statements" has the meaning set forth in Section 5.9.

"Acquisition Proposal" means any offer from any third parties regarding the sale of shares in the capital of BioDE or any other securities convertible into or exchangeable for shares in the capital of BioDE or the sale of any material business assets of BioDE (other than portfolio securities sold by BioDE in the normal course of business), whether by share sale, asset sale, merger or any other means.

"Additional Subscription Privilege" means the entitlement of a holder of Rights, who has exercised in full the Basic Subscription Privilege attaching to such holder's Rights, to subscribe pursuant to the Rights Offering for additional Common Shares (if such are available), as such entitlement is further detailed in the Offering Circular and Offering Notice.

"Affiliate" has the meaning ascribed thereto in the Securities Act.

"Basic Subscription Privilege" means the entitlement of a holder of Rights to subscribe at the Subscription Price, pursuant to the Rights Offering, for one Common Share for each Right held.

"Business" means the business currently and heretofore carried on by BioDE and its subsidiaries.

"Business Day" means any day, other than a Saturday, a Sunday or a statutory holiday, on which banks are open for business in Toronto, Ontario.

"Closing" has the meaning set forth in Section 7.1.

"Closing Date" has the meaning set forth in Section 7.1.

"Closing Time" has the meaning set forth in Section 7.1.

"Common Shares" means the common shares in the capital of BioDE.

"Contract" means any agreement, indenture, contract, lease, deed of trust, license, option, instrument or other commitment, whether written or oral.

"Encumbrance" means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, restriction, right of occupation, any matter capable of registration against title, option, right of pre-emption, privilege or any Contract to create any of the foregoing.

"Expiry Date" means the date on which the Rights expire and become null and void as set out in the Offering Circular and Offering Notice, such date to be no earlier than the twenty-first day following the date on which the Offering Notice is mailed to Persons who are holders of Common Shares as of the Record Date and no later than the ninetieth day following such date.

"Expiry Time" means 5:00 p.m. (Vancouver time) on the Expiry Date.

"Financial Statements" means BioDE's audited consolidated financial statements, the notes thereto and the auditor's report thereon for the years ended January 31, 2016 and 2015.

"Governmental Entity" means any: (i) multinational, federal, provincial, territorial, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"Indemnified Party" has the meaning set forth in Section 10.3.

"Indemnifying Party" has the meaning set forth in Section 10.3.

"Information Circular" means the notice of meeting and management information circular in respect of the Shareholder Meeting, as amended, supplemented or otherwise modified.

"Laws" means any and all applicable laws including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, instruments, policies, guidelines, and general principles of common law and equity, binding on or affecting the Person referred to in the context in which the word is used.

"License" means any of the material licenses, permits, approvals, consents, certificates, registrations or authorizations necessary to carry on the Business or to own or lease any of the material property of or assets utilized by BioDE.

"Material Adverse Change" means any change, development, event or occurrence with respect to the business, condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), capital, cash flow, operations, or results of operations of BioDE and its Subsidiaries, on a consolidated basis, that is, or would reasonably be expected to be, material and adverse to BioDE and its Subsidiaries, on a consolidated basis.

"Material Contract" means any Contract to which BioDE or any of the Subsidiaries is a party or is otherwise bound and pursuant to which it has aggregate liabilities or obligations of greater than \$15,000 per annum, or any such agreement, indenture, contract, lease, deed of trust, license, option, instrument or other commitment which is otherwise material to BioDE or any of the Subsidiaries.

"Misrepresentation" has the meaning given to such term in Section 1(1) of the Securities Act.

"Offering Circular" means the rights offering circular of BioDE prepared in accordance with NI 45-106F15.

"Offering Jurisdictions" means all provinces and territories of Canada in which a holder of Common Shares is resident.

"Offering Notice" means the rights offering notice of BioDE prepared in accordance with NI 45-106F14.

"Outside Date" has the meaning set forth in Section 7.1.

"Person" means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, trust, estate, custodian, trustee, executor, administrator, nominee or other entity or organization, including (without limitation) a Governmental Entity or political subdivision or an agency or instrumentality thereof.

"Public Disclosure" has the meaning set forth in Section 5.8.

"Record Date" means the record date for the purpose of the Rights Offering that will be established by BioDE in accordance with Securities Laws.

"Rights" means the transferable rights to subscribe at the Subscription Price for Common Shares offered by BioDE pursuant to the Rights Offering under the Basic Subscription Privilege and the Additional Subscription Privilege.

"Rights Offering" means the offering of Rights by BioDE to the holders of Common Shares on the Record Date who are resident in the Offering Jurisdictions undertaken in accordance with the Offering Circular, Offering Notice and the terms of this Agreement.

"Securities" means, collectively, the Rights, the Common Shares issuable upon the exercise of the Rights, and the Stand-by Shares.

"Securities Act" means the *Securities Act* (Ontario), as amended.

"Securities Commissions" means, collectively, the securities commissions or similar securities regulatory authorities of the Offering Jurisdictions.

"Securities Laws" means all applicable securities Laws of each of the Offering Jurisdictions, including the respective regulations thereunder and the published policy statements, instruments, blanket orders and decisions of the Securities Commissions.

"SEDAR" means the System for Electronic Document Analysis and Retrieval (SEDAR) as further described within National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval* of the Canadian Securities Administrators.

"Stand-by Commitment" has the meaning set forth in Section 2.2.

"Stand-by Commitment Fee" has the meaning set forth in Section 2.4.

"Stand-by Purchase Funds" has the meaning set forth in Section 2.6.

"Stand-by Purchaser" has the meaning given on the cover page of this Agreement.

"Stand-by Shares" has the meaning set forth in Section 2.2.

"Subscription Price" has the meaning set forth in Section 2.3.

"Superior Proposal" means an unsolicited bona fide written Acquisition Proposal made by a third party involving an equity financing for BioDE, or the acquisition of all or substantially all of the shares or the assets of BioDE, in respect of which the board of directors of BioDE has determined in good faith after consultation with its financial advisors and outside legal counsel that in order to comply with its fiduciary duties, it is necessary to terminate this Agreement and enter into an agreement in respect of that proposal.

- 1.2 Headings, etc.** The division of this Agreement into articles, sections, paragraphs and clauses and the provision of headings are for the convenience of reference only and will not affect the construction or interpretation of this Agreement. The terms "this agreement", "hereof", "hereunder" and similar expressions refer to this Agreement as a whole and not to any particular article, section, paragraph, clause or other portion hereof and include any agreement or instrument supplemental or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to articles, sections, paragraphs or clauses are to articles, sections, paragraphs or clauses of this Agreement.

- 1.3 Plurality and Gender.** Words importing the singular number only will include the plural and vice versa, words importing any gender will include all genders and the words importing Persons will include individuals, partnerships, trusts, corporations, governments and governmental authorities.
- 1.4 Currency.** Unless otherwise specifically stated, all references to dollars and cents in this Agreement are to the lawful currency of Canada.
- 1.5 Governing Law.** This Agreement will be governed by, interpreted and enforced in accordance with the laws of the Province of British Columbia. Each party hereby unconditionally and irrevocably submits to the nonexclusive jurisdiction of the courts of the Province of Ontario in respect of all matters arising out of this Agreement.
- 1.6 Severability.** If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect. The invalidity or unenforceability of any provision in any particular jurisdiction will not affect its validity or enforceability in any other jurisdiction where it is valid or enforceable.
- 1.7 Statutes.** Any reference to a statute, act or law will include and will be deemed to be a reference to such statute, act or law and to the regulations, instruments and policies made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute, act or law that may be passed which has the effect of supplementing or superseding such statute, act or law so referred to.

ARTICLE 2 STAND-BY COMMITMENT

- 2.1 Conduct of Rights Offering.** Subject to and in accordance with the terms hereof, BioDE agrees to offer, in accordance with Securities Laws and pursuant to the Offering Circular and Offering Notice, the Rights and the Common Shares issuable upon the exercise of the Rights to the Persons who are the holders of record of Common Shares on the Record Date:
- (a) with an address in the Offering Jurisdictions; or
 - (b) with an address in any other jurisdiction that BioDE has satisfied itself is entitled to receive the Securities under the Rights Offering in accordance with the laws of such jurisdiction and without obliging BioDE to register the Securities or file a prospectus or other disclosure document or to make any other filings or become subject to any reporting or disclosure obligations that BioDE is not already obligated to make.
- 2.2 Stand-by Commitment.** Subject to and in accordance with the terms hereof, the Stand-by Purchaser hereby agrees to purchase from BioDE, and BioDE hereby agrees to sell to the Stand-by Purchaser, at the Subscription Price and on the Closing Date, such number of Common Shares, if any, that are not purchased upon exercise of the Rights under the Rights Offering (the "**Stand-by Shares**") provided that the maximum number of Stand-by Shares to be purchased by the Stand-by

Purchaser is limited to 3,508,378 Common Shares (such commitment of the Stand-by Purchaser referred to as the "**Stand-by Commitment**").

- 2.3 **Subscription Price.** The exercise price per Common Share under the Rights Offering (the "**Subscription Price**") will be \$0.025.
- 2.4 **Stand-by Fee.** BioDE shall pay the Stand-by Purchaser a stand-by fee, of the amount of 190,000 Common Shares, being approximately 5% of the Common Shares offered under the Rights Offering (the "**Stand-by Commitment Fee**"), issuable forthwith upon the earliest to occur of:
 - (a) the Closing;
 - (b) the termination of this Agreement by the Stand-by Purchaser pursuant to Section 9.3; or
 - (c) the termination of this Agreement by BioDE pursuant to Section 9.2(c).
- 2.5 **Timing of Rights Offering.** Subject to and in accordance with the terms hereof, BioDE agrees that it will file with the Securities Commissions the Offering Circular and Offering Notice, substantially in the form attached hereto at Schedule A.
- 2.6 **Payment for Stand-by Shares.** The Stand-by Purchaser shall provide evidence reasonably satisfactory to BioDE that the Stand-by Purchaser has the financial ability to pay the maximum aggregate Subscription Price payable hereunder by the Stand-by Purchaser (the "**Stand-by Purchase Funds**"). Subject to and in accordance with the terms hereof, on Closing the Stand-by Purchaser will pay or cause to be paid, in immediately available funds by wire transfer to an account designated by BioDE, or by certified cheque payable to BioDE, the aggregate Subscription Price that is payable for the Stand-by Shares to be purchased by it hereunder, and BioDE will issue the Stand-by Shares to the Stand-by Purchaser.

ARTICLE 3 COVENANTS OF BIODÉ

- 3.1 **Covenants.** Subject to and in accordance with the terms hereof, BioDE undertakes and agrees with and in favour of the Stand-by Purchaser that:
 - (a) **Offering Circular and Offering Notice.** As provided in Section 2.5, BioDE will file the Offering Circular and Offering Notice with the Securities Commissions and take all other steps and proceedings that may be necessary in order to permit the distribution of the Securities in each of the Offering Jurisdictions.
 - (b) **Supplementary Material.** If required by Securities Laws, BioDE will prepare any amendments to the Offering Circular and Offering Notice or any documentation supplemental thereto or any amending or supplemental documentation or any similar document required to be filed by it under the Securities Laws. BioDE will also promptly, and in any event within any applicable time limitation, comply with all applicable filing and other requirements under the Securities Laws as a result of any material change (as defined in the Securities Act), including the requirement to issue and file a

news release explaining the reason for the amendment concurrent with the filing of an amended Offering Circular.

- (c) **Changes to Terms.** BioDE shall not amend the terms of the Rights Offering, including for greater certainty any change to the Subscription Price contemplated by Section 2.3, without the written consent of the Stand-by Purchaser.
- (d) **Consents and Approvals.** BioDE will use its best efforts to obtain all necessary consents, approvals or exemptions for the creation, offering and issuance of the Securities in all Offering Jurisdictions as contemplated herein and in the Offering Circular and Offering Notice and the entering into and performance by it of this Agreement (including, for greater certainty and without limitation, the issuance of the Rights, the Common Shares issuable upon the exercise of such Rights and the Stand-by Shares).
- (e) **Cease Trade Order or Other Investigation.** From the date hereof through the earlier of the Closing Date and the date of termination of this Agreement, BioDE will immediately notify the Stand-by Purchaser in writing of any written demand, request or inquiry (formal or informal) by any Securities Commission, or other Governmental Entity that concerns any matter relating to the affairs of BioDE that may affect the Rights Offering, the transactions contemplated herein, or any other matter contemplated by this Agreement, or that relates to the issuance, or threatened issuance, by any such authority of any cease trading or similar order or ruling relating to any Securities of BioDE. Any notice delivered to the Stand-by Purchaser as aforesaid will contain reasonable details of the demand, request, inquiry, order or ruling in question. BioDE will use its best efforts to prevent the issuance of any orders contemplated by this Section 3.1(e) and, if issued, to obtain their prompt withdrawal.
- (f) **Issuance of Common Shares.** Except with the prior written consent of the Stand-by Purchaser, BioDE will not issue any Common Shares prior to the Closing other than Common Shares issued upon the exercise of stock options or warrants outstanding as at the date of this Agreement or upon the exercise of the Rights.
- (g) **Conduct of Business.** BioDE will, and will cause each of its Subsidiaries to, continue to carry on its business and operations in the usual and ordinary course in a manner consistent with past practice and will not enter into or agree to enter into, or amend, any Contracts or take any action which would have the effect of causing a material change in the business or affairs of BioDE to occur prior to the Closing Date, except with the prior written approval of the Stand-by Purchaser.
- (h) **Securities Laws.** BioDE will take all action as may be necessary and appropriate so that the Rights Offering and the transactions contemplated in this Agreement will be effected in accordance with Securities Laws. BioDE will consult with the Stand-by Purchaser and its advisors regarding the manner in which the Rights Offering and the other transactions contemplated

herein will comply with applicable Securities Laws, and BioDE will provide to the Stand-by Purchaser and its advisors copies of any documents that are to be submitted by it to any Securities Commission, or other regulatory authority relating directly to the Rights Offering or the Stand-by Commitment prior to being so submitted and it will give the Stand-by Purchaser and its advisors an opportunity to comment on same. BioDE will not file the Offering Circular and Offering Notice without first providing a copy of such documents to the Stand-by Purchaser and its advisors who shall have a reasonable period of time to review and comment on such documents.

- (i) **Obtaining of Report.** BioDE will cause its transfer agent, TMX Equity Transfer Services Inc., to deliver to the Stand-by Purchaser, as soon as is practicable following the Expiry Time, details concerning the total number of Common Shares duly subscribed and paid for by holders of Rights under the Rights Offering, including (without limitation) those Common Shares subscribed and paid for pursuant to the Additional Subscription Privilege.
- (j) **Depository.** BioDE will appoint TMX Equity Transfer Services as depository in accordance with a depository agreement acceptable to the Stand-by Purchaser, such depository to hold all funds received upon the exercise of the Rights until conditions in respect of the Rights Offering and the Stand-by Commitment have been satisfied in accordance with this Agreement.
- (k) **Mailing of Materials.** BioDE will complete the mailing of the Offering Notice and the Information Circular to each of the registered holders of Common Shares as of the Record Date in the Offering Jurisdictions as soon as possible following the Record Date and will arrange for delivery of the Offering Notice and the Information Circular to the beneficial holders of Common Shares as of the Record Date in the Offering Jurisdictions in the manner contemplated by National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* as soon as possible following the Record Date. It is understood and agreed that the foregoing timing for mailing will not be delayed to the extent that BioDE proposes to include additional material in the mailing, such as the 2016 Annual Financial Statements, that is unrelated to the Rights Offering or Shareholder Meeting.
- (l) **Cooperation.** BioDE will cooperate, and cause its Affiliates, officers, employees, agents, auditors and other representatives to cooperate, with the Stand-by Purchaser by providing such information and assistance at such time and to the extent reasonably requested by the Stand-by Purchaser (and in any event as soon as reasonably practicable following such request) in connection with the preparation and filing by the Stand-by Purchaser of any return, declaration, report or similar statement (including any attached schedules) required to be filed by the Stand-by Purchaser with respect to its holdings, or disposition of any of its holdings, from time to time of Rights, Common Shares (including Stand-by Shares) or other securities of BioDE.
- (m) **Use of Proceeds.** The net proceeds (net of all legal, accounting and other fees and expenses related to the Rights Offering) received by BioDE in connection with the Rights Offering and the sale and issuance by BioDE of

the Stand-by Shares to the Stand-by Purchaser will be used for acquisitions of projects and will reallocate funds also for sound business reasons.

ARTICLE 4 CHANGES

4.1 Material Change During Distribution.

- (a) During the period from the date of this Agreement to the Closing Date, BioDE will promptly notify the Stand-by Purchaser in writing of any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), capital, cash flow, operations or results of operations of BioDE and its subsidiaries taken as a whole.
- (b) During the period from the date hereof to the Closing Date, BioDE will promptly notify the Stand-by Purchaser in writing of:
 - (i) any material fact that has arisen or been discovered; and
 - (ii) any change in any material fact contained in the Offering Circular or Offering Notice which fact or change is, or may be, of such a nature as to result in a Misrepresentation in the Offering Circular and Offering Notice or that would result in the Offering Circular or Offering Notice not complying with applicable Securities Laws.
- (c) BioDE will promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Stand-by Purchaser, acting reasonably, with all applicable filings and other requirements under Securities Laws as a result of such fact or change. BioDE will in good faith discuss with the Stand-by Purchaser any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) that is of such a nature that there is reasonable doubt whether written notice need be given under this Section 4.1.

4.2 Change in Securities Laws. If during the period of distribution to the public of Common Shares under the Rights Offering, there is any change in the Securities Laws that, in the opinion of the Stand-by Purchaser, acting reasonably, requires the filing of an amendment to the Offering Circular or the Offering Notice, BioDE will, to the satisfaction of the Stand-by Purchaser, acting reasonably, promptly prepare and file such Offering Circular or Offering Notice amendment, as applicable, with the appropriate securities regulatory authority in each of the Offering Jurisdictions where such filing is required.

4.3 Change in Closing Date. If a material change (as defined in the Securities Act) occurs after the date of filing of the Offering Circular and Offering Notice with the Securities Commissions and prior to the Closing Date, then, subject to Article 9, the Closing Date will be, unless BioDE and the Stand-by Purchaser otherwise agree in writing, the later of the previously scheduled Closing Date and the sixth Business Day following the date on which all applicable filings or other requirements of the Securities Laws with respect to such material change have been complied with in all

Offering Jurisdictions and any appropriate documents obtained for such filings and notice of such filings from BioDE or BioDE's counsel have been received by the Stand-by Purchaser.

ARTICLE 5 REPRESENTATIONS, WARRANTIES AND COVENANTS OF BIODÉ

BioDE represents and warrants to the Stand-by Purchaser as follows and acknowledges that the Stand-by Purchaser is relying on such representations and warranties in entering into this Agreement:

- 5.1 Organization and Status.** BioDE has been duly incorporated and is validly existing and in good standing under the Laws of British Columbia.
- 5.2 Insolvency.** BioDE has not commenced, participated or agreed to commence or participate in any bankruptcy, involuntary liquidation, dissolution, winding up, insolvency or similar proceeding and, to BioDE's knowledge, no such proceedings have been threatened by any other party.
- 5.3 Corporate Power, Capacity and Authorization.** BioDE has the corporate power and capacity to enter into this Agreement and to perform its obligations hereunder, to own or lease its property and to carry on the Business as now being conducted by it. This Agreement has been duly authorized, executed and delivered by BioDE and constitutes a legal, valid and binding obligation of BioDE, enforceable against BioDE by the Stand-by Purchaser in accordance with its terms. Each of the Contracts required by this Agreement to be delivered by BioDE at the Closing Time has been or at the Closing Time will be duly authorized by BioDE. Each of the Offering Circular and the Offering Notice, the issuance of Rights and the issuance of the Common Shares on the exercise thereof and the sale of the Stand-by Shares have been duly authorized by BioDE. At the Closing Time, each of the Contracts required by this Agreement to be delivered by BioDE will be duly executed and delivered by BioDE and will be valid and binding obligations of BioDE, enforceable in accordance with their respective terms.
- 5.4 Authorized and Issued Capital.** The authorized capital of BioDE consists of an unlimited number of Common Shares, of which 3,805,378 Common Shares have been duly issued and are outstanding as fully paid and non-assessable as of the date hereof. Except as described in this Section 5.4 and other than the Stand-by Purchaser, no Person has any agreement or option or any right or privilege (whether by law, preemptive or contractual) capable of becoming an agreement or option for the purchase from BioDE of any Common Shares or other securities of BioDE, other than pursuant to the exercise of stock options granted pursuant to BioDE's equity incentive plans, the exercise of common share purchase warrants and convertible securities outstanding as of the date hereof, and pursuant to the Shareholder Rights Plan.
- 5.5 Rights of Securities.** When issued and delivered to the respective purchaser and paid for by the respective purchaser in accordance with the terms and conditions of the Rights Offering and/or the terms and conditions of this Agreement, the Securities will be validly issued, fully paid and non-assessable and will be free and clear of all liens, pledges, claims, encumbrances, security interests and other restrictions,

except for any restrictions on resale or transfer imposed by applicable Securities Laws. The issuance of the Securities will not be subject to any pre-emptive or similar rights (it being acknowledged by the Stand-by Purchaser that the number of Stand-by Shares that they may be entitled to receive pursuant to this Agreement will depend on the number of Common Shares issued to those Persons who have exercised Rights prior to the Expiry Time).

5.6 No Violation. Each of the execution and delivery of this Agreement by BioDE, the compliance by BioDE with the terms hereof, the Offering Circular and Offering Notice and the filing thereof, the issuance of Rights and the issuance of the Common Shares on the exercise thereof and the issuance of the Stand-by Shares will not:

- (a) violate or conflict with any of the terms, conditions or provisions of the constating documents or resolutions of the shareholders, directors or any committee of directors of BioDE or any of its Subsidiaries;
- (b) violate or conflict with any applicable law, statute, ordinance, regulation or rule, or any judgment, decree, order or award of any court, governmental body or arbitrator having jurisdiction over BioDE or any of its Subsidiaries;
- (c) except as required by Securities Laws with respect to the filing of the Offering Circular and the Offering Notice in respect of the transactions contemplated hereby, require any authorization, consent, approval, exemption or other action by, or notice to, any stock exchange, governmental agency, authority, regulatory body or court;
- (d) violate or conflict with, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under any Contract to which BioDE or any of its Subsidiaries is a party or by which any of them or any of their assets or properties may be bound or affected;
- (e) trigger any change of control or similar provision in any Contract to which BioDE or any of its Subsidiaries is a party or by which any of them or any of their assets or properties may be bound or affected, provided that the Stand-by Purchaser, together with any Persons acting jointly or in concert with the Stand-by Purchaser, directly or indirectly, do not acquire voting control or direction over 50% or more of the votes attaching to the outstanding Common Shares and provided that the applicable provisions of the Shareholder Rights Plan are waived on or prior to Closing such that the rights under such plan are not triggered;
- (f) provided that the Stand-by Purchaser, together with any Persons acting jointly or in concert with the Stand-by Purchaser, directly or indirectly, do not acquire voting control or direction over 50% or more of the votes attaching to the outstanding Common Shares, result in the termination of, or any additional payment under, or the change in any terms of, or accelerate the performance of any obligation required by (or give rise to a right of any party thereto, exercisable on notice or otherwise, to terminate, to require that any additional payment be made under, to change any terms of, or to accelerate the performance of any obligation under) any Contract to which BioDE or any of its Subsidiaries is a party or by which any of them or any of their assets or

properties may be bound or affected, except (i) as disclosed in the Public Disclosure, and (ii) except for payments to which BioDE's current Chief Executive Officer will be entitled pursuant to Section **Error! Reference source not found.**;

- (g) result in the creation of any Encumbrance upon any of the property or assets of BioDE or any of its Subsidiaries; or
- (h) violate or conflict with any License held by BioDE or any of its Subsidiaries.

5.7 No Other Options. No Person has any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription for or issue of any of the unissued Common Shares or other securities of BioDE, other than securities issuable pursuant to the this Agreement and the Rights Offering.

5.8 Reporting Issuer Status and Public Disclosure. BioDE is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec and is in compliance in all material respects with all applicable, and is not in default of any, requirements of applicable Securities Laws. Since January 31, 2010, BioDE has not received any correspondence or notice from a Securities Commission, or similar regulatory authority concerning a review of its Public Disclosure (as hereinafter defined). BioDE has not filed any material change report with any Securities Commission or similar regulatory authority on a confidential basis. Since January 31, 2010, all documents required to be filed under applicable Securities Laws (the "**Public Disclosure**") have been filed and conform in all material respects to the requirements of the applicable Securities Laws. Such documents at the time of filing thereof: (a) were true and correct in all material respects; and (b) did not contain any Misrepresentations. There has been no material change as defined in the Securities Act to the matters set forth in the Public Disclosure that has not been publicly disclosed.

5.9 Financial Statements. The Financial Statements:

- (a) comply in all material respects with applicable Securities Laws;
- (b) have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board applied on a consistent basis with those of the comparable prior period (except as may be indicated in the notes thereto or, in the case of unaudited interim financial statements, as may be permitted by applicable Securities Laws); and
- (c) fairly present, in all material respects, the consolidated financial position of BioDE and its Subsidiaries as at the respective dates thereof and the consolidated results of operations and cash flows for the periods indicated, except that the unaudited interim financial statements may omit notes which are not required in unaudited financial statements and are subject to normal and recurring year-end adjustments.

The foregoing representations will apply equally in respect of BioDE's audited consolidated financial statements, the notes thereto and the auditor's report thereon

for the year ended January 31, 2016 (the “**2016 Annual Financial Statements**”), when filed on SEDAR in accordance with Securities Laws.

- 5.10 Reportable Events.** Since January 31, 2010, there has not been any reportable event (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the present or any former auditor of BioDE.
- 5.11 Internal Accounting Controls.** The system of internal accounting controls maintained by BioDE are sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of the Financial Statements in conformity with International Financial Reporting Standards and to maintain asset accountability; and (iii) access to assets of BioDE is permitted only in accordance with management’s general or specific authorizations.
- 5.12 Valuation Methodology.** The valuation methodology of BioDE used for the valuation of private and public investment assets has been applied consistently since January 1, 2015 and same is evidenced in all related documentation that has been provided to the Stand-by Purchaser.
- 5.13 Subsidiaries.** BioDE does not have any subsidiaries.
- 5.14 Rights.** All necessary corporate action has been taken or will have been taken prior to the Closing Time on the Closing Date by BioDE so as to validly authorize the issue of the Rights, the Common Shares issuable upon the exercise of the Rights and the sale of the Stand-by Shares in accordance with the terms of this Agreement.
- 5.15 Compliance with Laws.** Each of BioDE and the Subsidiaries is, in all material respects, conducting its business in compliance with all applicable laws, rules and regulations of each jurisdiction in which its respective business is carried on and each is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as now conducted and its property and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor does it have knowledge of any facts that could give rise to a notice of material non-compliance with any such laws, rules, regulations, licences, registrations or qualifications.
- 5.16 Litigation and Other Proceedings.** There is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal); arbitration or other dispute settlement procedure; investigation or inquiry by any governmental authority; or any similar matter or proceeding (collectively “**proceedings**”) pending or, to the knowledge of BioDE, threatened against or involving BioDE or any of its Subsidiaries (whether in progress or, to BioDE’s knowledge, threatened) which, if determined adversely to BioDE, would have a material adverse effect on BioDE or the Business or would prevent or significantly impede the issue of the Rights and the Common Shares issued upon the exercise thereof or the sale of the Stand-by Shares. BioDE has received no notice of, and has no knowledge of, any event that has occurred which might give rise to any proceedings except as disclosed in the Public Disclosure and there is no judgment, decree, injunction, ruling, award or order of any Governmental Entity to which BioDE or any of its Subsidiaries is subject.

- 5.17 Material Contracts.** Except as disclosed in the Public Disclosure, neither BioDE nor any of its Subsidiaries, nor to BioDE's knowledge, any other Person, is in default in any material respect in the observance or performance of any material term, covenant or obligation to be performed by BioDE or any of its Subsidiaries or such other Person under any Material Contract and all such Material Contracts are in good standing, and no event has occurred which, with notice or lapse of time or both, would constitute such a default by BioDE, its Subsidiaries or, to BioDE's knowledge, any other Person. All Material Contracts of BioDE and its Subsidiaries, which are required to be disclosed in accordance with National Instrument 51-102 *Continuous Disclosure Obligations*, have been disclosed in the Public Disclosure.
- 5.18 Insurance.** All premiums in connection with all insurance policies maintained by BioDE are fully paid. No false statement or misrepresentation was made in any application of BioDE for the insurance policies. All such policies are valid, outstanding and enforceable. There are no claims of any nature or kind whatsoever under any of such policies nor are any such claims pending. BioDE has not failed to give any notice or present any claim under any such insurance policies in a timely fashion so as to preserve its rights thereunder. No notice or other indication regarding the cancellation or non-renewal of any of such insurance policies has been received and no claim made under any of such insurance policies has been disallowed.
- 5.19 Ordinary Course.** BioDE and its Subsidiaries have conducted the Business in the ordinary course since December 31, 2013. Except as disclosed in BioDE's Public Disclosure, none of the shareholders holding more than 10% of the outstanding Common Shares, the directors or the officers of BioDE or any known associate or affiliate of any of the foregoing persons or companies (as such terms are used in the Securities Act), excluding Persons who have an interest in BioDE solely by means of being a shareholder holding less than 10% of the outstanding Common Shares, has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed transaction which, as the case may be, materially affected, is material to or will materially affect BioDE.
- 5.20 Ownership of Assets.** BioDE and its Subsidiaries are the legal and beneficial owners of the properties and assets or the interests in properties and assets referred to as owned by them in the Public Disclosure and are free and clear of all liens or encumbrances, other than as disclosed in the Public Disclosure. All agreements under which BioDE (or the applicable Subsidiary) holds an interest in a property or asset are in good standing in all material respects.
- 5.21 Material Changes.** Other than as disclosed in the Public Disclosure:
- (a) there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of BioDE and its Subsidiaries, on a consolidated basis;
 - (b) BioDE and its Subsidiaries have carried on their respective businesses in the ordinary course; and
 - (c) no Material Adverse Change has occurred.

- 5.22 Survival.** All representations and warranties of BioDE contained herein or contained in any document delivered pursuant to this Agreement or in connection with the Rights Offering herein contemplated, will survive the completion of the purchase of Stand-by Shares by the Stand-by Purchaser and will continue in full force and effect for a period of three years notwithstanding any investigation, inquiry or other steps which may be taken by or on behalf of the Stand-by Purchaser.
- 5.23 Notification.** BioDE shall notify the Stand-by Purchaser forthwith if it becomes aware of a fact or circumstance which has caused or would be reasonably likely to cause a representation or warranty set out in this Article 5 to become untrue, inaccurate or misleading at any time (by reference to circumstances subsisting at that time) before the Closing Date.

ARTICLE 6 REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE STAND-BY PURCHASER

- 6.1 Representations.** The Stand-by Purchaser represents and warrants to BioDE that:
- (a) The Stand-by Purchaser is a trust validly formed and existing under the laws of Canada and is resident in, or otherwise subject to the Securities Laws of British Columbia, and is controlled (as defined in the Securities Act) by its manager, Pathfinder Asset Management Limited, which is controlled by Douglas Brian Johnson. The Stand-by Purchaser is deemed to be a "related party" of BioDE within the meaning of National Instrument 52-107 – *Acceptable Accounting Principles and Auditing Standards*. The Stand-by Purchaser does not, at the date hereof, hold any Common Shares.
 - (b) The Stand-by Purchaser has all requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized, executed and delivered by the Stand-by Purchaser and constitutes a legal, valid and binding obligation of the Stand-by Purchaser, enforceable against the Stand-by Purchaser by BioDE in accordance with its terms. Each of the Contracts required by this Agreement to be delivered by the Stand-by Purchaser at the Closing Time has been, or will at the Closing Time be, duly authorized by the Stand-by Purchaser. At the Closing Time, each of the Contracts required by this Agreement to be delivered by the Stand-by Purchaser at the Closing Time will be duly executed and delivered by the Stand-by Purchaser and will be valid and binding obligation of the Stand-by Purchaser, enforceable in accordance with their respective terms.
 - (c) The execution and delivery of this Agreement by the Stand-by Purchaser and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of such Stand-by Purchaser under:
 - (i) any Contract to which such Stand-by Purchaser is a party or by which it is bound;

- (ii) any provision of the constating documents or bylaws or resolutions of the board of directors (or any committee thereof) or shareholders of the Stand-by Purchaser;
 - (iii) any judgment, decree, order or award of any court, governmental body or arbitrator having jurisdiction over such Stand-by Purchaser; or
 - (iv) any applicable Laws.
- (d) No consent, approval, order or authorization of, or declaration with, any Governmental Entity is required by or with respect to the Stand-by Purchaser in connection with the execution and delivery of this Agreement or the consummation of the transactions by the Stand-by Purchaser contemplated hereby, other than consents, approvals, or authorizations that may be required by any Securities Commissions.
 - (e) The Stand-by Purchaser is acting alone, and not jointly or in concert with any other Persons in connection with the acquisition of Common Shares and will be acting as principal in its capacity as the Stand-by Purchaser.
 - (f) As at the date of this Agreement, and on the Closing Date, the Stand-by Purchaser has and will have, the financial ability and sufficient funds to make and complete the payment for all of the Stand-by Shares that it has committed to purchase pursuant to the Stand-by Commitment and the availability of such funds will not be subject to the consent, approval or authorization of any Person(s) other than those which will have been obtained by the Stand-by Purchaser on or prior to the Closing Date.

6.2 Covenants.

- (a) Subject to and in accordance with the terms hereof, the Stand-by Purchaser undertakes and agrees with and in favour of BioDE that it will cooperate with BioDE in the preparation and filing of the Offering Circular, the Information Circular and Offering Notice to the extent information is required from the Stand-by Purchaser or is otherwise contemplated hereunder and all such information in respect of the Stand-by Purchaser will not contain any Misrepresentation, and the Stand-by Purchaser will provide such information and make all such filings as may be required under Securities Laws in order for BioDE to complete the Rights Offering and the Stand-by Commitment in accordance with the Securities Laws.
- (b) From and after the Closing Time, BioDE will, and the Stand-by Purchaser will cause BioDE to, honour all rights to indemnification now existing under the by-laws of BioDE in favour of the current directors and officers of BioDE (which for greater certainty shall obligate BioDE to indemnify such directors and officers in a manner consistent with now existing rights to indemnification under such by-laws).
- (c) BioDE will, and the Stand-by Purchaser will cause BioDE to, enter into mutual releases (in form and substance satisfactory to each of BioDE and the Stand-by Purchaser, acting reasonably), with each of the directors and

officers of BioDE and its Subsidiaries to be executed at the time that such director resigns or retires from the board of directors or the officer resigns, retires or is terminated, as applicable.

- (d) The provisions of Sections 6.2(b) and 6.2(c) are intended to be for the benefit of, and will be enforceable by, BioDE, as applicable, and each individual director and officer referred to in Sections 6.2(b) and 6.2(c), his or her heirs, successors and third party beneficiaries and for such purpose only, BioDE hereby confirms that it is acting as agent on their behalf and shall hold the rights and benefits of Sections 6.2(b) and 6.2(c) in trust for and on behalf of such third party beneficiaries.

- 6.3 Survival.** All representations and warranties of the Stand-by Purchaser contained herein or contained in any document delivered pursuant to this Agreement or in connection with the Rights Offering herein contemplated, will survive the completion of the purchase of Securities by the Stand-by Purchaser and will continue in full force and effect for a period of three years notwithstanding any investigation, inquiry or other steps which may be taken by or on behalf of BioDE.

ARTICLE 7 CLOSING AND CONDITIONS

- 7.1 Closing Time.** The closing of the purchase by the Stand-by Purchaser and sale by BioDE of the Stand-by Shares to be purchased by the Stand-by Purchaser hereunder (the "**Closing**") will be completed at the offices of Pathfinder Asset Management Limited at #1320 - 885 West Georgia Street, Vancouver, B.C. V6C 3E8 at 10:00 a.m. (Vancouver time) (the "**Closing Time**"), on the same day as closing occurs under the Basic Subscription Privilege and the Additional Subscription Privilege (the "**Closing Date**") or at such other time and/or on such other date and/or at such other place as BioDE and the Stand-by Purchaser may agree upon in writing, provided that closing of the Rights Offering shall occur not later than June 8, 2016 unless BioDE seeks an extension which is approved by the Stand-by Purchaser at the Stand-by Purchaser's sole discretion (the "**Outside Date**"). On such date, and upon payment being made by the Stand-by Purchaser in accordance with Section 2.5, definitive certificates or advice statements representing the number of Common Shares that is equal to the number of Stand-by Shares to be purchased by the Stand-by Purchaser hereunder will be delivered to the Stand-by Purchaser by BioDE, such Common Shares to be registered in the name of the Stand-by Purchaser or one or more designees of the Stand-by Purchaser, as applicable.

- 7.2 Mutual Conditions Precedent.** The obligation of each of BioDE and the Stand-by Purchaser to complete the closing of the transactions set out in this Agreement is subject to the fulfillment, on or before the Closing Time, of each of the following conditions precedent (each of which may only be waived by mutual consent):

- (a) there will be no inquiry, investigation (whether formal or informal) or other proceeding commenced by a Governmental Entity pursuant to applicable Laws in relation to BioDE or any of its Subsidiaries or in relation to any of the directors and officers of BioDE or any of its Subsidiaries or in relation to the Stand-by Purchaser or any of the directors or officers of the Stand-by

Purchaser, any of which suspends or ceases trading (which suspension or cessation of trading is continuing) in the Rights or Common Shares or operates to prevent or restrict the lawful distribution of the Common Shares or the Stand-by Shares (which prevention or restriction is continuing);

- (b) there will be no order issued by a Governmental Entity pursuant to applicable Laws and no change of Law, either of which suspends or ceases trading in the Rights or Common Shares (which suspension or cessation of trading is continuing) or operates to prevent or restrict the lawful distribution of the Rights or Common Shares issuable upon the exercise of such Rights or the Stand-by Shares (which prevention or restriction is continuing); and
- (c) there shall not be any claims, litigation, investigations or proceedings, including appeals and applications for review, in progress, pending, commenced or threatened by any Person, in respect of the Rights Offering, that is reasonably likely to result in a Material Adverse Change.

7.3 Additional Conditions Precedent to the Obligations of BioDE. The obligations of BioDE to complete the transactions contemplated hereby will also be subject to the fulfillment, on or before the Closing Time, of each of the following conditions precedent (each of which is for the exclusive benefit of BioDE and may be waived by BioDE):

- (a) all covenants and obligations of the Stand-by Purchaser under this Agreement to be performed on or before the Expiry Time will have been duly performed by the Stand-by Purchaser in all material respects; and BioDE will have received a certificate by the Stand-by Purchaser addressed to BioDE and dated as of the Closing Date, signed on behalf of the Stand-by Purchaser by an officer of the Stand-by Purchaser (on the Stand-by Purchaser's behalf and without personal liability), confirming the same as at the Closing Time;
- (b) the representations and warranties of the Stand-by Purchaser set forth in this Agreement will be true and correct as of the Closing Time, as though made on and as of the Closing Time and BioDE will have received a certificate by the Stand-by Purchaser addressed to BioDE and dated as of the Closing Date, signed on behalf of the Stand-by Purchaser by an officer of the Stand-by Purchaser (on the Stand-by Purchaser's behalf and without personal liability), confirming the same as at the Closing Time; and
- (c) the shareholders of BioDE shall have consented to the Waiver.

7.4 Additional Conditions Precedent to the Obligations of the Stand-by Purchaser. The obligations of the Stand-by Purchaser to complete the transactions contemplated hereby will also be subject to the fulfillment, on or before the Closing Time, of each of the following conditions precedent (each of which is for the exclusive benefit of the Stand-by Purchaser and may be waived by the Stand-by Purchaser):

- (a) the aggregate number of Common Shares subscribed for and taken up under the Rights Offering by holders of Rights (including, for greater certainty and

without limitation, pursuant to the Additional Subscription Privilege), shall not exceed 3,805,378 Common Shares;

- (b) BioDE will have made and/or obtained all necessary filings, approvals, orders, rulings and consents of all relevant securities regulatory authorities and other governmental and regulatory bodies required in connection with the Rights Offering and the purchase of the Stand-by Shares by the Stand-by Purchaser as contemplated by this Agreement;
- (c) the Rights Offering and other transactions contemplated hereby will have been conducted in accordance with applicable Laws, including Securities Laws, and in accordance with this Agreement;
- (d) the terms of the Rights Offering will not have been changed without the written consent of the Stand-by Purchaser;
- (e) there shall have been no merger, amalgamation, combination or consolidation of BioDE or sale of all or substantially all of the assets of BioDE, or any announcement in respect of any of the foregoing; and
- (f) the Stand-by Purchaser shall have received at Closing a certificate or certificates dated as of the Closing Date and signed on behalf of BioDE (and without personal liability) by the Chief Executive Officer and the Chief Financial Officer of BioDE or such other officers of BioDE acceptable to the Stand-by Purchaser addressed to the Stand-by Purchaser certifying for and on behalf of BioDE after having made due enquiry and after having carefully examined the Offering Circular and Offering Notice, that:
 - (i) since the respective dates as of which information is given in the Offering Circular and Offering Notice (or any amendment thereto) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, condition, properties, assets, liabilities (contingent or otherwise), capital, cash flow, operations or results of operations of BioDE and its Subsidiaries on a consolidated basis, other than as disclosed in the Public Disclosure;
 - (ii) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Common Shares or any other securities of BioDE having been issued by any Securities Commission that is continuing in effect and no proceedings for that purpose having been instituted or are pending or, to the knowledge of such officers, having been contemplated or threatened under any of the Securities Laws or by any Securities Commission;
 - (iii) all covenants and obligations of BioDE under this Agreement to be performed on or before the Expiry Time have been duly performed by BioDE in all material respects;

- (iv) the representations and warranties of BioDE set forth in this Agreement will be true and correct as of the Closing Time, as though made on and as of the Closing Time; and
- (v) no Material Adverse Change will have occurred or have been disclosed (if previously undisclosed) at any time after the date hereof and prior to the Closing Date.

ARTICLE 8 CONFIDENTIALITY AND PUBLIC ANNOUNCEMENT

- 8.1 Confidentiality.** None of the parties hereto will, without the prior consent of the other party, disclose the terms of this Agreement, except that such disclosure may be made to any party's officers, directors, partners, advisors and employees who require such information for the purpose of consummating the transactions contemplated by this Agreement or as may otherwise be required by Securities Laws.
- 8.2 Public Announcement.** BioDE will make a public announcement regarding this Agreement in a form satisfactory to the Stand-by Purchaser, acting reasonably.

ARTICLE 9 TERMINATION

- 9.1 Termination by BioDE or the Stand-by Purchaser.** Either BioDE or the Stand-by Purchaser may terminate and cancel their obligations under this Agreement, without any liability on its part, if any of the conditions set out in Section 7.2 are not satisfied as at the Closing Time.
- 9.2 Termination by BioDE.** BioDE may terminate and cancel its obligations under this Agreement, without any liability on its part, if:
- (a) the Stand-by Purchaser is in material default of its obligations hereunder and fails to remedy such breach on or before the date that is five days following the date upon which BioDE has provided written notice of such breach, other than a breach with regards to the payment obligation under Section 2.6, which will not be subject to a cure period;
 - (b) if any of the conditions set out in Section 7.3 are not satisfied as at the Closing Time; or
 - (c) BioDE's board of directors shall have received prior to the Closing Time a Superior Proposal in writing and shall have determined in good faith after consultation with its financial advisors and outside legal counsel that, in order to comply with its fiduciary duties, it is necessary to terminate this Agreement and enter into an agreement in respect of that proposal, and BioDE pays the Stand-by Commitment Fee to the Stand-by Purchaser upon termination pursuant to this Section 9.2(c).
- 9.3 Termination by the Stand-by Purchaser.** The Stand-by Purchaser may terminate and cancel its obligations under this Agreement, without any liability on its part, if:

- (a) any Material Adverse Change occurs at any time following the execution of this Agreement;
- (b) BioDE is in material default of its obligations hereunder and fails to remedy such breach on or before the date that is five days following the date upon which BioDE has been provided written notice of such breach;
- (c) if any of the conditions set out in Section 7.4 are not satisfied on or before the Closing Time; or
- (d) the Closing Time has not occurred on or before the Outside Date.

9.4 Effect of Termination. Should BioDE or the Stand-by Purchaser validly terminate this Agreement pursuant to, and in accordance with, this Article 9, the obligations of both BioDE and the Stand-by Purchaser under this Agreement will terminate and there will be no further liability on the part of the Stand-by Purchaser to BioDE or on the part of BioDE to the Stand-by Purchaser hereunder (except for (i) the obligations of BioDE under Section 2.4 in the event of a termination under Sections 9.2(c) or 9.3, and (ii) any liability of any party that exists at such time or that may arise thereafter pursuant to Article 10 or Section 12.1).

ARTICLE 10 INDEMNIFICATION

10.1 By BioDE. BioDE covenants and agrees to protect, indemnify and hold harmless the Stand-by Purchaser for and on behalf of itself and for and on behalf of and in trust for each of its directors, officers, employees and agents, from and against any and all losses, claims, damages, liabilities, costs or expenses caused or incurred:

- (a) by reason of or in any way arising, directly or indirectly, out of any Misrepresentation or alleged Misrepresentation in the Offering Circular, the Information Circular or the Offering Notice, other than any Misrepresentation or alleged Misrepresentation in the Offering Circular, the Information Circular or the Offering Notice with respect to any information therein specifically regarding the Stand-by Purchaser which was provided and approved by the Stand-by Purchaser;
- (b) by reason of or in any way arising, directly or indirectly, out of any order made or inquiry, investigation or proceeding commenced or threatened by any Securities Commission, or other competent authority in Canada or before or by any Governmental Entity, based upon or relating to any Misrepresentation or alleged Misrepresentation in the Offering Circular, the Information Circular or the Offering Notice, or relating to the Rights Offering or other transactions contemplated in this Agreement including, without limitation, any actions taken or statements made by or on behalf of BioDE in connection with the Rights Offering or the other transactions contemplated in this Agreement (excluding, for greater certainty, any statements made by or on behalf of BioDE exclusively to one or more Indemnified Parties), other than any Misrepresentation or alleged Misrepresentation in the Offering Circular, the Information Circular or the Offering Notice with respect to any information

therein specifically regarding the Stand-by Purchaser which was provided and approved by the Stand-by Purchaser;

- (c) the non-compliance or alleged non-compliance by BioDE with any requirement of the Securities Laws or any other applicable Laws in connection with the Rights Offering or the other transactions contemplated in this Agreement; or
- (d) by reason of, or in any way arising, directly or indirectly, out of any breach or default of or under any representation, warranty, covenant or agreement of BioDE contained herein.

10.2 By the Stand-by Purchaser. The Stand-by Purchaser covenants and agrees to protect, indemnify and hold harmless BioDE for and on behalf of itself and for and on behalf of and in trust for each of its directors, officers, employees and agents from and against any and all losses, claims, damages, liabilities, costs or expenses caused or incurred by reason of, or in any way arising, directly or indirectly, out of any breach or default of or under any representation, warranty, covenant or agreement of the Stand-by Purchaser contained herein, or by reason of or in any way arising, directly or indirectly, out of any Misrepresentation or alleged Misrepresentation relating to any information in the Offering Circular, the Information Circular or the Offering Notice with respect to any information therein specifically regarding the Stand-by Purchaser which was provided and approved by the Stand-by Purchaser.

10.3 Notification. In the event that any claim, action, suit or proceeding, including, without limitation, any inquiry or investigation (whether formal or informal), is brought or instituted against any of the Persons in respect of which indemnification is or might reasonably be considered to be provided for herein, such Person (an "**Indemnified Party**") will promptly notify the Person from whom indemnification is being sought (being either BioDE under Section 10.1 or the Stand-by Purchaser under Section 10.2, as the case may be (the "**Indemnifying Party**")) and the Indemnifying Party will promptly retain counsel who will be reasonably satisfactory to the Indemnified Party to represent the Indemnified Party in such claim, action, suit or proceeding, and the Indemnifying Party will pay all of the reasonable fees and disbursements of such counsel relating to such claim, action, suit or proceeding.

10.4 Independent Counsel. In any such claim, action, suit or proceeding, the Indemnified Party will have the right to retain other counsel to act on his or its behalf, provided that the fees and disbursements of such other counsel will be paid by the Indemnified Party unless:

- (a) the Indemnifying Party and the Indemnified Party will have mutually agreed to the retention of such other counsel; or
- (b) the named parties to any such claim, action, suit or proceeding (including, without limitation, any added, third or impleaded parties) include both the Indemnifying Party and the Indemnified Party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them (such as the availability of different defenses).

- 10.5 Fees and Expenses.** Subject to Section 10.4, it is understood and agreed that the Indemnifying Party will not, in connection with any claim, action, suit or proceeding referred to in Section 10.4 commenced in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate legal firm for all Persons in respect of which indemnification is or might reasonably be considered to be provided for herein and such firm will be designated in writing by the Indemnified Party (on behalf of itself and its directors, officers, employees and agents).
- 10.6 Indemnifying Party consent to Settlement.** Notwithstanding anything herein contained, no Indemnified Party will agree to any settlement of any claim, action, suit, proceeding, inquiry or investigation in respect of which indemnification is or might reasonably be considered to be provided for herein, unless the Indemnifying Party has consented in writing thereto, and the Indemnifying Party will not be liable for any settlement of any such claim, action, suit, proceeding, inquiry or investigation unless it has consented in writing thereto.

ARTICLE 11 NOTICE

- 11.1 Notice.** Any notice or other communication required or permitted to be given hereunder will be in writing and will be delivered by e-mail as set forth below, or personally delivered to the address listed below, or to such other address, e-mail or Person as may be designated by notice.

- (a) In the case of BioDE:

BioDE Ventures Ltd.
#1320 - 885 West Georgia Street
Vancouver, B.C. V6C 3E8

Attention: Ann Fehr
E-mail: afehr@facpa.ca

With a copy (which shall not constitute notice) to:

Alexander Holburn Beaudin + Lang LLP
#2700 - 700 West Georgia Street
Vancouver, B.C. V7Y 1B8

Attention: Stewart L. Muglich
E-mail: smuglich@ahbl.ca

- (b) In the case of the Stand-by Purchaser:

Partners' Fund
#1320 - 885 West Georgia Street
Vancouver, B.C. V6C 3E8

Attention: Robert Ballard
E-mail: rob.ballard@paml.ca

With a copy (which shall not constitute notice) to:

Pathfinder Management Limited
#1320 – 885 West Georgia Street
Vancouver, BC V6C 3E8

Attention: Robert Ballard
E-mail: rob.ballard@paml.ca

- 11.2 Receipt of Notice.** Notice will be deemed to be given prior to 5:00 p.m. (Vancouver time) on the day of actual delivery, or if not a Business Day or after 5:00 p.m. (Vancouver time), on the next Business Day.

ARTICLE 12 GENERAL

- 12.1 Expenses.** BioDE will be responsible for all expenses related to the Rights Offering, whether or not it is completed, including, without limitation, all fees and disbursements of its legal counsel, fees and disbursements of its accountants and auditors, all fees and disbursements in connection with any dealer manager or dealer managers engaged in connection with the Rights Offering (other than any such fees or disbursements agreed to be paid by such dealer manager or dealer managers), (including, without limitation, slide presentations and videos, if any), printing costs, translation fees and filing fees.
- 12.2 Further Assurances.** The parties hereto agree to do all such things and take all such actions as may be necessary or desirable to give full force and effect to the matters contemplated by this Agreement.
- 12.3 Assignment.** This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and, where the context so permits, their respective successors and permitted assigns.
- 12.4 Enurement.** This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- 12.5 Third Party Beneficiaries.** Except as otherwise provided for in Section **Error! Reference source not found.**, Section 6.2, and Article 10, this Agreement does not confer any rights or remedies upon any Person other than the parties and their respective successors and permitted assigns.
- 12.6 Waiver.** Failure by any party hereto to insist in any one or more instances upon the strict performance of any one of the covenants or rights contained herein will not be construed as a waiver or relinquishment of such covenant or right. No waiver by either party hereto of any such covenant or right will be deemed to have been made unless expressed in writing and signed by the waiving party.
- 12.7 Amendments.** No term or provision hereof may be amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of the amendment, discharge or termination is sought.
- 12.8 Counterparts and Facsimile or E-mail.** This Agreement may be executed in several counterparts and delivered by facsimile or e-mail, each of which when so executed will be deemed to be an original and such counterparts together will

constitute one and the same instrument and notwithstanding their date of execution they will be deemed to be dated as of the date hereof.

12.9 Time. Time will be of the essence of this Agreement.

12.10 Entire Agreement. This Agreement and any other agreements and other documents referred to herein and delivered in connection herewith, constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect to the subject matter hereof.

12.11 Language. The parties hereby confirm their express wish that this document and all documents and agreements directly or indirectly related thereto be drawn up in English. Les parties reconnaissent qu'à leur demande le présent document ainsi que tous les documents et conventions qui s'y rattachent directement ou indirectement sont rédigés en langue anglaise.

[The rest of this page has been intentionally left blank]

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed and delivered by their authorized officers as of the date first written above.

BIODE VENTURES LTD.

By: 
Chester Shynkaryk
Chief Executive Officer

**PARTNERS' FUND by its manager,
PATHFINDER ASSET MANAGEMENT LIMITED**

By: 
Robert Ballard
Associate Portfolio Manager, Pathfinder Asset
Management Limited

SCHEDULE A
Offering Notice and Offering Circular

PLEASE READ THIS MATERIAL CAREFULLY AS YOU ARE REQUIRED TO MAKE A DECISION PRIOR TO 5:00 P.M. (TORONTO TIME) ON JUNE 8, 2016.

"This rights offering circular is prepared by management. No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this circular. Any representation to the contrary is an offence.

This is the circular we referred to in the April 25, 2016 rights offering notice, which you should have already received. Your rights certificate and relevant forms were enclosed with the rights offering notice. This circular should be read in conjunction with the rights offering notice and our continuous disclosure prior to making an investment decision."

Rights offering circular

April 25, 2016

BIODE VENTURES LTD.

OFFERING OF RIGHTS TO SUBSCRIBE FOR COMMON SHARES AT A PURCHASE PRICE OF \$0.025 PER COMMON SHARE

References in this circular to **we**, **our**, **us** and similar terms mean to BioDE. References in this circular to **you**, **your** and similar terms mean to holders of BioDE's common shares. Unless otherwise indicated, references here in "\$" or "dollars" are to Canadian dollars.

SUMMARY OF OFFERING

Why are you reading this circular?

We are issuing to the holders of our outstanding common shares of record at the close of business on April 18, 2016 (the "**Record Date**") and who are resident in a province or territory of Canada (called "**Eligible Jurisdictions**"), rights to subscribe for common shares on the terms described in this circular. The purpose of this circular is to provide you with detailed information about your rights and obligations in respect of this rights offering.

What is being offered?

Each holder of common shares on the Record Date who is resident in an Eligible Jurisdiction will receive one right for each one common share held.

Who is eligible to receive rights?

The rights are offered only to shareholders resident in Eligible Jurisdictions (called "**Eligible Holders**"). Shareholders will be presumed to be resident in the place shown on their registered address, unless the contrary is shown to our satisfaction. Neither the rights offering notice nor this circular is to be construed as an offering of the rights, nor are the common shares issuable upon exercise of the rights offered for sale, in any jurisdiction outside of Eligible Jurisdictions or to shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions (called "**Ineligible Holders**").

Instead, Ineligible Holders will be sent a letter advising them that their rights will be held by Equity Financial Trust Company, who will hold such rights as agent for the benefit of all such Ineligible Holders. See *“How to exercise the rights? Who is eligible to receive the rights?”*

What does one right entitle you to receive?

Each right entitles you to subscribe for one common share upon payment of the Subscription Price (called the **“Basic Subscription Privilege”**). No fractional common shares will be issued.

If you exercise your Basic Subscription Privilege in full, you will also be entitled to subscribe pro rata for common shares (the **“Additional Common Shares”**) not otherwise purchased, if any, pursuant to the Basic Subscription Privilege (called the **“Additional Subscription Privilege”**).

What is the subscription price?

\$0.025 per common share (the **“Subscription Price”**).

When does the offer expire?

5:00 p.m. (Toronto time) on June 8, 2016 (the **“Expiry Time”**).

What are the significant attributes of the rights issued under the rights offering and the securities to be issued upon the exercise of the rights?

Each right entitles you to subscribe for one common share at the Subscription Price. We are authorized to issue an unlimited number of common shares, of which, as at the date hereof 3,805,378 are issued and outstanding. Holders of common shares are entitled to dividends if, as and when declared by our directors, to one vote per share at meetings of our shareholders and, upon liquidation, to receive such assets of BioDE as are distributable to the holders of the common shares.

At the annual general and special meeting of the shareholders of BioDE which is scheduled to be held on June 1, 2016, the shareholders will be asked to consider and, if deemed advisable to pass, with or without variation, a special resolution approving a consolidation of all of the issued and outstanding shares of BioDE on the basis of one new common share for each one thousand pre-consolidated shares. All fractional shares held by any shareholder will then be repurchased and any whole consolidated shares held by any shareholder will be subdivided on the basis of five hundred new common shares for each whole consolidated share held.

It is currently contemplated that the rights offering will close immediately before BioDE effects the share consolidation and subdivision so a shareholder who holds less than one thousand shares after exercising any rights under the rights Offering

will, after the share consolidation and subdivision are effected, cease to be a shareholder of BioDE.

What are the minimum and maximum number or amount of common shares that may be issued under the rights offering?

There is no minimum offering.

A maximum of 3,805,378 common shares will be issued under the rights offering.

See also "*Stand-By Purchase Agreement*" for a description of certain limits and conditions in respect of the Stand-by Purchaser.

Where will the rights and the securities issuable upon the exercise of the rights be listed for trading?

Neither the common shares nor the rights will be listed on any exchange or quotation service. **There is no market through which the rights or the common shares issuable upon exercise of the rights may be sold.**

FORWARD-LOOKING STATEMENTS

This circular contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that we believe, expect or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements reflect our current expectations or beliefs based on information currently available to us. Forward-looking statements in this circular include, without limitation, statements with respect to: our expectations regarding the estimated costs of the rights offering and the net proceeds to be available upon completion; our working capital requirements over the next twelve months; the use of proceeds from the rights offering and the availability of funds from sources other than the rights offering; the liquidity or illiquidity of our investments and our ability to generate funding from dispositions either in the short-term or thereafter; changes to our management and board of directors upon completion of the Stand-By Purchase; the payment of our debenture obligations when due; the impact of a working capital deficiency on our business, financial condition and the value of our common shares, the application of our shareholder rights plan to the Stand-By Purchase and the Waiver to be sought from shareholders, and our ability to continue as a going concern.

Forward-looking statements are subject to a number of risks and uncertainties that may cause BioDE's actual results to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, BioDE. Factors that could cause actual results or events to differ materially from current expectations include, among other things, uncertainties relating to the availability and cost of funds, closing of the rights offering, delays in obtaining or failure to obtain required approvals to complete the rights offering, the ability of the Stand-By Purchaser to waive conditions to completion of the Stand-By Purchase, the uncertainty associated with estimating costs to completion of the rights offering including those yet to be incurred, and working capital requirements which can involve unknown or unexpected expenditures, fluctuations in the fair value of our investments due to thinly traded securities, issuer-specific events that affect a company's market value, or general market conditions, all of which

could materially increase or decrease our proceeds of dispositions and available funds, and other risks related to our business and the rights offering and Stand-By Purchase.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, BioDE disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although we believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the rights offering?

Assuming the exercise of all rights, the maximum net proceeds to BioDE from the rights offering will be approximately \$80,134 after deducting estimated expenses of the rights offering of \$15,000.

		Assuming 15% of offering	Assuming 50% of offering	Assuming 75% of offering	Assuming 100% of offering
A	Amount to be raised by this offering	\$14,270	\$47,567	\$71,350	\$95,134
B	Selling commissions and fees	-	-	-	-
C	Estimated offering costs (e.g., legal, accounting, audit)	\$15,000	\$15,000	\$15,000	\$15,000
D	Available funds: $D = A - (B+C)$	\$ - 730	\$32,567	\$56,350	\$80,134
E	Additional sources of funding ⁽¹⁾	\$380,000	\$380,000	\$380,000	\$380,000
F	Working capital deficiency	-	-	-	-
G	Total: $G = (D+E) - F$	\$379,270	\$412,567	\$436,350	\$460,134

(1) Representing approximate working capital at March 31, 2016

How will we use the available funds?

BioDE estimates it will use its available funds as set out below. BioDE intends to spend the available funds as stated and will reallocate funds only for sound business reasons.

Description of intended use of available funds listed in order of priority	Assuming 15% of offering	Assuming 50% of offering	Assuming 75% of offering	Assuming 100% of offering
Total available funds equal to G in the available funds alone	\$379, 270	\$412,567	\$436,350	\$460,134
Funding and facilitating acquisition of assets	\$60,000	\$60,000	\$60,000	\$60,000
Purchase shares from shareholders pursuant	\$5,000	\$5,000	\$5,000	\$5,000

Description of intended use of available funds listed in order of priority	Assuming 15% of offering	Assuming 50% of offering	Assuming 75% of offering	Assuming 100% of offering
to share consolidation				
Acquire assets	\$270,000	\$307,567	\$331,350	\$355,134
Working capital for 12 months	\$40,000	\$40,000	\$40,000	\$40,000

How long will the available funds last?

The available funds are expected to be allocated by BioDE to acquisitions of projects and will be used for such purposes as and when BioDE completes any such acquisitions.

BioDE generally expects to have sufficient liquidity to continue to meet its objectives and to be able to meet all of its obligations as they become due. BioDE's primary sources of liquidity are cash and marketable securities.

INSIDER PARTICIPATION

Will insiders be participating?

BioDE has determined, after reasonable inquiry, that certain insiders of BioDE may choose to participate in the rights offering.

Who are the holders of 10% or more of our securities before and after the rights offering?

To the knowledge of the directors and senior officers of BioDE, as at the date hereof, no person or company beneficially owns, directly or indirectly, or controls or directs more than 10% of any class of voting securities of BioDE, other than as set out below.

Name	Holdings before the offering	Holdings after the offering
Douglas Brian Johnson	600,000 (15.76%)	1,200,000 (being 15.76% of the total issued and outstanding shares of BioDE, assuming the full exercise of all of the rights and assuming Douglas Brian Johnson exercises his Basic Subscription Privilege, and only his Basic Subscription Privilege, in full.)

DILUTION

If you do not exercise your rights, by how much will your security holdings be diluted?

Assuming issuance of the maximum number of common shares under the offering, your shareholdings will be diluted by 50%.

STAND-BY COMMITMENT

Who is the stand-by guarantor and what are the fees?

BioDE has entered into a stand-by purchase agreement (the “**Stand-by Purchase Agreement**”) with Partners’ Fund (the “**Stand-by Purchaser**”), a trust managed by Pathfinder Asset Management Limited which is controlled by Douglas Brian Johnson. As a result, the Stand-by Purchaser, Pathfinder Asset Management Limited and Douglas Brian Johnson are related parties to BioDE within the meaning of National Instrument 52-107 - *Acceptable Accounting Principles and Auditing Standards*.

BioDE will pay the Stand-by Purchaser a fee of 190,000 common shares (being approximately 5% of the common shares issuable upon exercise of all of the rights being issued under the rights offering), payable on closing of the rights offering or on the termination of the Stand-by Purchase Agreement by BioDE if it accepts a superior offer or under other circumstances where the Stand-by Purchaser is permitted to terminate the Stand-by Purchase Agreement.

Pursuant to the Stand-by Purchase Agreement, the Stand-by Purchaser will subscribe for all common shares offered under the rights offering that are not otherwise purchased under the Basic Subscription Privilege and the Additional Subscription Privilege (the “**Stand-by Purchase**”).

In addition to representations, warranties, covenants and other provisions typical of a transaction of this nature, the Stand-by Purchase Agreement provides that BioDE may terminate the Stand-by Purchase Agreement, if, during the effective period of the rights offering, BioDE accepts a superior offer (as determined by our board of directors exercising their fiduciary duties) for the sale of our common shares (including by way of private placement) or material business assets to a third party and, in such case, the Stand-by Purchaser will not be permitted to purchase any common shares under the rights offering and BioDE will pay the Stand-by Purchaser a termination fee of 190,000 common shares.

Have we confirmed that the stand-by guarantor has the financial ability to carry out its stand-by commitment?

Yes.

What are the security holdings of the stand-by guarantor before and after the rights offering?

The security holdings of the Stand-by Purchaser before and after the rights offering (assuming that the Stand-by Purchaser has exercised its entire Stand-by Purchase) and as follows:

Name	Holdings before the offering	Holdings after the offering if the stand-by guarantor takes up the entire stand-by commitment
Partners' Fund	Nil	3,805,378 common shares being 50% of the then issued and outstanding common shares

MANAGING DEALER, SOLICITING DEALER AND UNDERWRITING CONFLICTS

Who is the managing dealer/soliciting dealer and what are its fees?

BioDE has not retained any party to solicit subscriptions for common shares pursuant to the rights offering.

HOW TO EXERCISE THE RIGHTS

How does a security holder that is a registered holder participate in the rights offering?

If you are a registered holder of common shares, a certificate (the “**Rights Certificate**”) representing the total number of transferable rights to which you are entitled as at the Record Date has been mailed to you with a copy of the rights offering notice. To exercise the rights represented by the Rights Certificate, you must complete and deliver the Rights Certificate in accordance with the instructions set out below. Rights not exercised at or prior to the Expiry Time will be void and of no value. The method of delivery is at the discretion and risk of the holder of the Rights Certificate and delivery to the Subscription Agent will only be effective when actually received by the Subscription Agent at its office set out in Section 4 below (“**Subscription Office**”), see “*Appointment of Subscription Agent - Who is the Subscription Agent?*” Rights Certificates and payments received after the Expiry Time will not be accepted.

In order to exercise your rights you must:

1. **Complete and sign Form 1 on the Rights Certificate.** The maximum number of rights that you may exercise under the Basic Subscription Privilege is shown in the box on the upper right hand corner of the face of the Rights Certificate. If you complete the Form 1 so as to exercise some but not all of the rights evidenced by the Rights Certificate, you will be deemed to have waived the unexercised balance of such rights. If you want to exercise some but not all of your rights under your Basic Subscription Privilege and you also want to retain the ability to exercise the balance of your unexercised rights under your Basic Subscription Privilege, you must first complete and submit to the Subscription Agent Form 4 on your Rights Certificate in order to divide the rights and be issued two separate Rights Certificates: one certificate representing the number of rights that you want to exercise in the first instance (which should then be completed and delivered to the Subscription Agent) and a second certificate representing the balance of unexercised rights available for future exercise under your Basic Subscription Privilege. You must still exercise these rights before the Expiry Time in order to subscribe for Additional Common Shares.

2. ***Additional Subscription Privilege.*** Complete and sign Form 2 on the Rights Certificate only if you also wish to participate in the Additional Subscription Privilege. See “*How to exercise the rights? — What is the Additional Subscription Privilege and how can you exercise this privilege?*” below.
3. ***Enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Equity Financial Trust Company.*** To exercise the rights you must pay \$0.025 per common share. In addition to the amount payable for any common shares you wish to purchase under the Basic Subscription right, you must also pay the amount required for any common shares subscribed for under the Additional Subscription Privilege.
4. ***Delivery.*** Deliver your completed Rights Certificate and payment to the Subscription Agent. Holders of rights that exercise their rights for common shares must complete and mail the Rights Certificate to the Subscription Agent, together with the applicable subscription payment, in the return envelope delivered with their Rights Certificate. The completed Rights Certificate and the applicable subscription payment must be received by the Subscription Agent by no later than the Expiry Time. Delivery can be made as follows:

By Mail:

Equity Financial Trust Company
200 University Avenue
Suite 300
Toronto, Ontario M5H 4H1

Attention: Corporate Actions

By Hand or Courier:

Equity Financial Trust Company
200 University Avenue
Suite 300
Toronto, Ontario M5H 4H1

Attention: Corporate Actions

The method used to deliver a completed Rights Certificate and Subscription Payment is at the option and risk of the subscriber, and delivery will be deemed effective only when such Rights Certificate and payment are actually received by the Subscription Agent. Delivery by hand, or registered mail or courier service with return receipt requested and which is properly insured, allowing sufficient time to ensure timely delivery, is recommended. Deposit in the mail DOES NOT constitute delivery to the Subscription Agent.

Any Eligible Holder that fails to complete their subscription in accordance with the foregoing instructions prior to the Expiry Time will forfeit their rights under their Basic Subscription Privilege and, to the extent it applies, their Additional Subscription Privilege attaching to those rights.

Rights Certificates returned to the Subscription Agent as undeliverable will be held by the Subscription Agent until the Expiry Time, after which time the rights represented by such Rights Certificate will be void and of no value and no longer be exercisable for any common shares. As a result, the Subscription Agent will not sell or attempt to sell such undelivered rights and no proceeds of sale will be credited to holders of such rights.

The signature of the Rights Certificate holder must correspond in every particular with the name that appears on the face of the Rights Certificate.

Signatures by a trustee, executor, administrator, guardian, attorney, officer of a company or any person acting in a fiduciary or representative capacity should be accompanied by evidence of authority satisfactory to the Subscription Agent. We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any subscription in our sole discretion. Subscriptions are irrevocable. We reserve the right to reject any subscription if it is not in proper form or if the acceptance thereof or the issuance of common shares pursuant thereto could be unlawful. We also reserve the right to waive any defect in respect of any particular subscription. Neither we nor the Subscription Agent is under any duty to give any notice of any defect or irregularity in any subscription, nor will we be liable for the failure to give any such notice.

How does a security holder that is not a registered holder participate in the rights offering?

You are a beneficial Eligible Holder if you hold your common shares through a securities broker or dealer, bank or trust company or other participant (each, a “Participant”) in the book-based system administered by CDS Clearing and Depository Services Inc. (“CDS”). The total number of rights to which all beneficial Eligible Holders as at the Record Date are entitled will be issued to CDS and will be deposited with CDS following the Record Date. We expect that each beneficial Eligible Holder will receive a confirmation of the number of rights issued to it from its Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holding rights.

Neither we nor the Subscription Agent will have any liability for (i) the records maintained by CDS or Participants relating to the rights or the book-entry accounts maintained by them, (ii) maintaining, supervising or reviewing any records relating to such rights, or (iii) any advice or representations made or given by CDS or Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or Participants.

If you are a beneficial Eligible Holder:

1. to exercise your rights held through a Participant, you must instruct such Participant to exercise all or a specified number of such rights, and forward to such Participant, the Subscription Price for each common share that you wish to subscribe for.
2. you may subscribe for Additional Common Shares pursuant to the Additional Subscription Privilege by instructing such Participant to exercise the Additional Subscription Privilege in respect of the number of Additional Common Shares you wish to subscribe for, and forwarding to such Participant the Subscription Price for such Additional Common Shares requested.

Any excess funds will be returned to the relevant Participant for the account of the beneficial holder, without interest or deduction.

Who is eligible to receive rights?

No offering outside of Eligible Jurisdictions. The rights are being offered to Shareholders in each of the provinces and territories of Canada. Shareholders will be presumed to be resident in the place of their registered address, unless the contrary is shown to the satisfaction of BioDE. This rights offering circular is not to be construed as an offering of the rights, nor are the common shares issuable upon exercise of the rights offered for sale, in any jurisdiction outside

the Eligible Jurisdictions or to Shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions.

Ineligible Holders may not acquire rights or the common shares issuable upon exercise of the rights. We will not issue or forward Rights Certificates to Ineligible Holders. Ineligible Holders will be presumed to be resident in the place of their registered address. Ineligible Holders will be sent a letter advising them that their Rights Certificates will be issued to and held on their behalf by the Subscription Agent. Rights of Ineligible Holders who are not eligible to, or otherwise do not, participate in the rights offering will be held by the Subscription Agent as agent for such holders and will expire at the Expiry Time.

A holder of rights not resident in an Eligible Jurisdiction holding on behalf of a person resident in an Eligible Jurisdiction may be able to exercise the rights provided the holder furnishes an investor letter, satisfactory to us, on or before May 25, 2016 representing to us that the beneficial purchaser is resident in an Eligible Jurisdiction and satisfying us that such subscription is lawful and in compliance with all securities and other applicable laws (an “**Approved Eligible Holder**”).

Participants receiving rights on behalf of beneficial Ineligible Holders will be instructed by CDS not to permit the exercise of such rights unless the holder is an Approved Eligible Holder. After May 25, 2016, Participants should attempt to sell the rights of Ineligible Holders for the accounts of such holders and should deliver any proceeds of sale to such holders.

Holders of rights who are not resident in Canada should be aware that the acquisition and disposition of rights or common shares may have tax consequences in the jurisdiction where they reside, which are not described herein. Accordingly, such holders should consult their own tax advisors about the specific tax consequences in the jurisdiction where they reside of acquiring, holding and disposing of rights or common shares.

What is the additional subscription privilege and how can you exercise this privilege?

Registered holders of rights

If you exercise all of your rights under the Basic Subscription Privilege, you may subscribe for additional common shares that have not been subscribed and paid for pursuant to the Basic Subscription Privilege (the “**Additional Common Shares**”) pursuant to the Additional Subscription Privilege.

If you wish to exercise the Additional Subscription Privilege, you must first exercise your Basic Subscription Right in full by completing Form 1 on the Rights Certificate for the maximum number of common shares that you may subscribe for and also complete Form 2 on the Rights Certificate, specifying the number of Additional Common Shares desired. Send the purchase price for the Additional Common Shares under the Additional Subscription Privilege with your Rights Certificate to the Subscription Agent. The purchase price is payable in Canadian funds by certified cheque, bank draft or money order payable to the order of Equity Financial Trust Company. These funds will be placed in a segregated account pending allocation of the Additional Common Shares, with any excess funds being returned by mail without interest or deduction.

If the aggregate number of Additional Common Shares subscribed for by those who exercise their Additional Subscription Privilege is less than the number of available Additional Common Shares,

each such holder of rights will be allotted the number of Additional Common Shares subscribed for under the Additional Subscription Privilege.

If the aggregate number of Additional Common Shares subscribed for by those who exercise their Additional Subscription Privilege exceeds the number of available Additional Common Shares, each such holder of rights will be entitled to receive the number of Additional Common Shares equal to the lesser of:

1. the number of Additional Common Shares subscribed for by the holder under the Additional Subscription Privilege; and
2. the product (disregarding fractions) obtained by multiplying the aggregate number of Additional Common Shares available through unexercised rights by a fraction, the numerator of which is the number of rights previously exercised by the holder and the denominator of which is the aggregate number of rights exercised under the Basic Subscription Privilege by holders of rights who have subscribed for Additional Common Shares under the Additional Subscription Privilege.

As soon as practicable after the Expiry Time, the Subscription Agent will mail to each holder of rights who completed Form 2 on the Rights Certificate, a certificate for the Additional Common Shares which that holder has purchased and shall return to the holder any excess funds paid for the subscription of Additional Common Shares by such holder under the Additional Subscription Privilege, without interest or deduction.

Beneficial holders of rights

As set out above, CDS is the registered holder of common shares for those positions held by beneficial holders of rights through Participants in CDS. As a result, when any such beneficial holders of rights exercise their Basic Subscription Privilege through a Participant in CDS, CDS, as the registered holder, becomes entitled to that number of Additional Common Shares based upon the aggregate number of rights exercised under the Basic Subscription Privilege in connection with any potential exercise under the Additional Subscription Privilege. However, not all beneficial holders of rights exercising their Basic Subscription Privilege through a Participant in CDS will be exercising their Additional Subscription Privilege. This results in a beneficial holder of rights through a Participant in CDS becoming entitled to a disproportionately larger percentage of the Additional Common Shares compared to a person who is not holding their position through CDS. As a result, due to this possible inequity, we are requiring that any person wishing to exercise their Additional Subscription Privilege withdraw their rights from CDS and exercise their Basic Subscription Privilege and Additional Subscription Privilege in a registered position in accordance with the procedures set out above. We strongly recommend that any beneficial holder of rights holding their position through a Participant in CDS who wishes to exercise their Basic Subscription Privilege and Additional Subscription Privilege contact their Participant as soon as possible in order to have their rights registered in their name or the name of their Participant. Once this has been done you would then exercise your Basic Subscription Privilege and Additional Subscription Privilege in accordance with the procedures set out above. As this process may take time you will need contact your Participant sufficiently in advance of the Expiry Time to allow the Participant to properly expedite the process set out above. It is anticipated that there will be certain costs associated with withdrawing from CDS.

We will not be responsible for those costs and they will be the responsibility of the beneficial holder of rights.

How does a rights holder sell or transfer rights?

Registered holders of rights

The rights will not trade or be listed on any exchange or quotation service. See “*How to exercise the rights —Are there restrictions on the resale of securities?*”

Holders of Rights Certificates not wishing to exercise their rights may sell or transfer them directly or through their stockbroker or investment dealer at the shareholder’s expense and must complete and sign Form 3 on the Rights Certificate. Such sale or transfer will be subject to any applicable resale restrictions. Rights Certificates will not be registered in the name of an Ineligible Holder. Holders of Rights Certificates may elect to exercise only a part of their rights and dispose of the remainder, or dispose of all of their rights. Any commission or other fee payable in connection with the exercise or any trade of rights is the responsibility of the holder of such rights. Depending on the number of rights a holder may wish to sell, the commission payable in connection with a sale of rights could exceed the proceeds received from such sale.

Beneficial holders of rights

If you hold common shares through a Participant, you must arrange for the exercise, transfer or purchase of rights through that Participant.

When can you trade securities issuable upon the exercise of your rights?

The common shares issuable upon the exercise of your rights will not be listed on any exchange or quotation service and will be subject to applicable resale restrictions. See “*How to exercise the rights - Are there restrictions on the resale of securities?*”

Are there restrictions on the resale of securities?

The rights being issued hereunder and the rights shares issuable upon exercise of the rights (collectively, the “**Securities**”) are being distributed by BioDE in the Eligible Jurisdictions pursuant to exemptions from the registration and prospectus requirements under securities legislation in the Eligible Jurisdictions. Resale of the Securities may be subject to restrictions pursuant to applicable securities legislation then in force. Set out below is a general summary of the restrictions governing first trades in the Securities in the Eligible Jurisdictions. Additional restrictions may apply to “insiders” of BioDE and holders of the Securities who are “control persons” or the equivalent or who are deemed to be part of what is commonly referred to as a “control block” in respect of BioDE for purposes of securities legislation. Each holder of rights is urged to consult his or her professional advisors to determine the exact conditions and restrictions applicable to trades of the Securities.

Generally, the first trade of any of the Securities will be exempt from the prospectus requirements of securities legislation in the Eligible Jurisdictions if: (i) BioDE is and has been a “reporting issuer” in a jurisdiction of Canada for the four months immediately preceding the trade; (ii) the trade is not a “control distribution” as defined in applicable securities legislation; (iii) no unusual effort is made to prepare the market or to create a demand for the

Securities; (iv) no extraordinary commission or other consideration is paid in respect of such trade; and (v) if the seller is an insider or officer of BioDE, the seller has no reasonable grounds to believe that BioDE is in default of applicable securities legislation.

If such conditions have not been met, then the Securities may not be resold except pursuant to a prospectus or prospectus exemption, which may only be available in limited circumstances. As at the date hereof BioDE has been a reporting issuer for more than four months in each of the provinces of Canada.

Neither the rights nor the rights shares issuable on exercise of the rights have been or will be registered under the *United States Securities Act of 1933*, as amended, and they may not be offered or re-offered or sold or re-sold within the United States except pursuant to an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended.

The foregoing is a summary only and is not intended to be exhaustive. Holders of rights should consult with their advisors concerning restrictions on resale, and should not resell their Securities until they have determined that any such resale is in compliance with the requirements of applicable legislation.

The rights and common shares issuable upon exercise thereof may not be offered, sold, pledged or transferred, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. Person.

Will we issue fractional underlying securities upon exercise of the rights?

No. Where the exercise of rights would appear to entitle a holder of rights to receive a fractional common share, the holder's entitlement will be reduced to the next lowest whole number of common shares.

APPOINTMENT OF SUBSCRIPTION AGENT

Who is the Subscription Agent?

Equity Financial Trust Company is the Subscription Agent for the offering. The Subscription Agent has been appointed to receive subscriptions and payments from holders of rights and to perform the services relating to the exercise and transfer of the rights.

What happens if we do not receive funds from the Stand-by Purchaser?

If we do not receive funds from the Stand-by Purchaser, the Subscription Agent will return all funds held by it to holders of rights that have subscribed for securities under the offering.

RISK FACTORS

An investment in the rights or common shares issuable upon exercise of the Right is subject to certain risks, including those described below, as well as in our continuous disclosure documents. You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedar.com.

Dilution

If you do not exercise all of your rights pursuant to the Basic Subscription Privilege, your current percentage ownership in BioDE will be diluted by the issuance of common shares upon the exercise of rights by other holders of rights or the purchase of common shares by the Stand-by Purchaser.

Business and Operational Uncertainty

There is uncertainty regarding the state of our business, operations and financial condition even if the rights offering is fully subscribed or the Stand-by Purchase is fulfilled. BioDE may not have sufficient working capital or access to external sources of capital to continue to operate its business thereafter and the common shares may not have any value.

New Control Block

If the Stand-by Purchaser completes the Stand-by Purchase, a significant percentage of the outstanding common shares will be held by one shareholder which will affect the trading volume and liquidity of our common shares. In addition, the Stand-by Purchaser will have significant voting power and influence over BioDE's board of directors and the ability to influence fundamental changes to the corporation.

No Minimum Offering

The rights offering is not conditional upon receiving a minimum amount of proceeds. If BioDE decides to terminate the rights offering, it will not have any obligation with respect to the rights except to return any exercise payments, without interest.

No Trading Market for Rights or Common Shares

Neither the common shares underlying the rights nor the rights are listed so it may be impossible for an investor to sell such securities should they decide to sell or transfer same.

Exercises of Rights Irrevocable

You may not revoke or change the exercise of your rights after you send in your subscription form and payment. The Common Share price could decline below the Subscription Price for the common shares, resulting in a loss of some or all of your subscription payment.

Subscription Price Not Necessarily Indication of Value

You should not consider the Subscription Price to be an indication of BioDE's value, and the value of the common shares may be below the Subscription Price.

Responsibilities of Holders of Rights

If you fail to follow the subscription procedures and meet the subscription deadline your subscription may be rejected. None of BioDE, the Subscription Agent or any Participant undertakes to contact you concerning, or will attempt to correct, an incomplete or incorrect payment or subscription form. Whether a subscription properly follows subscription procedures is solely within BioDE's discretion.

ADDITIONAL INFORMATION

Where can you find more information about us?

You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedar.com.

MATERIAL FACTS AND MATERIAL CHANGES

There is no material fact or material change about the issuer that has not been generally disclosed.

THE RIGHTS OFFERING NOTICE

BIODE VENTURES LTD.

Notice to security holders – April 25, 2016

The purpose of this notice is to advise holders of common shares of BioDE Ventures Ltd. (“**BioDE**”) of a proposed offering of rights (“**Rights**”) of BioDE (the “**Rights Offering**”). References in this notice to **we, our, us** and similar terms means to BioDE and references in this notice to **you, your** and similar terms means to BioDE shareholders.

1. Who can participate in the Rights Offering?

Each registered shareholder as at the close of business (5:00 p.m. Vancouver time) on April 18, 2016 (the “**Record Date**”) may participate in the Rights Offering.

2. Who is eligible to receive Rights?

The Rights will be offered to registered shareholders (called “**Eligible Holders**”) in each province and territory of Canada (called the “**Eligible Jurisdictions**”). You will be presumed to be resident in the place shown in our records as your registered address, unless the contrary is shown to our satisfaction.

This notice is not to be construed as an offering of the Rights, nor are the common shares issuable upon exercise of the Rights offered for sale, in any jurisdiction outside the Eligible Jurisdictions or to shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions (called “**Ineligible Holders**”).

Ineligible Holders will not receive a Rights Certificate (as described in No. 6 below), but will be sent a letter describing how Ineligible Holders may participate in the Rights Offering.

3. How many Rights are we offering?

We are offering a total of 3,805,378 Rights to Eligible Holders.

4. How many Rights will you receive?

We are offering each Eligible Holder one Right for each common share held as at the Record Date.

5. What does one Right entitle you to receive?

Each Right entitles an Eligible Holder to purchase one common share at a subscription price of \$0.025 per share (called the “**Basic Subscription Privilege**”) until 5:00 p.m. (Toronto time) on June 8, 2016.

Any Eligible Holder who exercises all of their Rights under the Basic Subscription Privilege will also have the additional privilege of subscribing, pro rata, for additional common shares at the subscription price (called the “**Additional Subscription Privilege**”). The common shares available under the Additional Subscription Privilege will be those common shares issuable under the Rights Offering that have not been subscribed and paid for under the Basic Subscription Privilege by June 8, 2016.

Any Eligible Holder who exercises their Rights must enclose payment for all common shares subscribed for under the Basic Subscription Privilege and the Additional Subscription Privilege in Canadian funds by certified cheque, bank draft or money order payable to the order of Equity Financial Trust Company.

6. How will you receive your Rights?

Registered Eligible Holders - If you are a registered holder of common shares, a certificate (called a "Rights Certificate") representing the total number of Rights which you are entitled to as at the Record Date is enclosed with this notice.

Beneficial Eligible Holders - You are a beneficial holder of common shares if you hold your shares through a securities broker or dealer, bank or trust company or other participant (called a "Participant") in the book-based system administered by CDS Clearing and Depository Services Inc. ("CDS"). The total number of Rights to which all beneficial Eligible Holders as at the Record Date are entitled will be issued to and deposited with CDS following the Record Date. If you are a beneficial Eligible Holder, we expect you will receive a confirmation of the number of Rights issued to you from the applicable Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holdings Rights.

7. When and how can you exercise your Rights?

If you are a registered Eligible Holder who receives a Rights Certificate, you must complete and deliver your Rights Certificate and delivered it to the Rights Agent in accordance with the instructions on your Rights Certificate and as contained in BioDE's Rights Offering Circular on or before 5:00 p.m. (Toronto time) on June 8, 2016.

If you are a beneficial Eligible Holder, you must arrange exercises, transfers or purchases of Rights through your Participant on or before 5:00 p.m. (Toronto time) on June 8, 2016 or such earlier time as required by your Participant. We expect that each beneficial Eligible Holder will receive a customer confirmation of issuance or purchase, as applicable, from their Participant through which the Rights are issued in accordance with the practices and policies of such Participant.

8. What are the next steps?

This document contains key information you should know about BioDE. You can find more details in the issuer's rights offering circular, a copy of which can be obtained on BioDE's SEDAR profile at www.SEDAR.com, or you can ask your dealer representative for a copy or contact the Corporate Secretary for BioDE at afehr@facpa.ca. You should read the rights offering circular, along with BioDE's continuous disclosure record, to make an informed decision.

Dated April 25, 2016

/s/

Chief Executive Officer
BioDE Ventures Ltd.

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Dated April 25, 2016



Chief Executive Officer
BioDE Ventures Ltd.