

**Disclosure Statement Pursuant to the Pink Basic Disclosure  
Guidelines**

**POLYDEX PHARMACEUTICALS LIMITED**

A Corporation organized under the laws of the Province of Ontario, Canada

421 Comstock Road  
Toronto, Ontario  
M1L 2H5  
416-755-2231  
[www.polydex.com](http://www.polydex.com)  
[gu-dextran@rogers.com](mailto:gu-dextran@rogers.com)  
SIC Code: 2180

**Quarterly Report  
For the Period Ending: October 31, 2020  
(the "Reporting Period")**

As of the fiscal period ended October 31, 2020 the number of shares outstanding of our Common Stock was: 3,432,478

As of the Previous Reporting Period End Date (fiscal quarter ended July 31, 2020) the number of shares outstanding of our Common Stock was: 3,432,478

As of the Fiscal Year ended January 31, 2020, the number of shares outstanding of our Common Stock was: 3,432,478

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: ☐ No: ☒

**1) Name of the issuer and its predecessors (if any):**

The name of the issuer is Polydex Pharmaceuticals Limited (sometimes referred to herein as “Polydex,” the “Issuer,” or the “Company”).

The Company was incorporated under the laws of the Commonwealth of the Bahamas on June 14, 1979 as Polydex Chemicals Limited, and changed its name on March 28, 1984. On March 22, 2017, the Company changed its jurisdiction of incorporation from the Bahamas to the Province of Ontario by filing Articles of Continuance. On May 1, 2017, the Company’s two Canadian subsidiaries, Dextran Product Limited and Polydex Chemicals (Canada) Limited were amalgamated into the Company. The Company is currently in good standing with its jurisdiction of incorporation.

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

**2) Security Information**

Common Stock

Trading Symbol: POLXF

CUSIP: 731728

Par or Stated Value: \$0.0167

Shares of Common Stock authorized: 10,000,000 as of October 31, 2020

Shares of Common Stock outstanding: 3,432,478 as of October 31, 2020

As of October 31, 2020 there were approximately 219 holders of record of the Company’s common shares.

As of October 31, 2020 there were approximately 2,561,166 shares of the Company’s common stock in the public float.

Class A Preferred Stock

Trading Symbol: N/A

CUSIP: N/A

Par or Stated Value: \$0.10

Shares of Class A Preferred Stock authorized: 100,000 as of October 31, 2020

There are no shares of Class A Preferred Stock outstanding.

Class B Preferred Stock

Trading Symbol: N/A

CUSIP: N/A

Par or Stated Value: \$0.0167

Shares of Class B Preferred Stock authorized: 899,400 as of October 31, 2020

Shares of Class B Preferred Stock outstanding: 899,400 as of October 31, 2020

As of October 31, 2020 there is one holder of record of the Company’s Class B Preferred Stock.

As of October 31, 2020 there were no shares of the Company’s Class B Preferred Stock in the public float.

Transfer Agent

Name: Computershare

Address 1: Po Box 30170

Address 2: College Station

Address 3: Texas, 77842-3170

Phone: 800-522-6645

Is the Transfer Agent registered under the Exchange Act? Yes: ☒ No: ☐

There are no restrictions on the transfer of the Company's securities, and the Company has not been subject to any trading suspension order issued by the SEC in the past 12 months.

No stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization has occurred within the past 12 months or is currently anticipated.

### 3) Issuance History

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of February 1, 2018	<u>Opening Balance:</u> Common: <u>3,3419,478</u> Preferred: <u>899,400</u>								
Date of Transaction	Transaction type	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to	Reason for share issuance	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
1/31/2020	new issuance	6,500	Common	\$0.31	Yes (1)	Derek Lederer	Exercise of stock purchase options	unrestricted	The issuance was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act")
1/31/2020	new issuance	6,500	Common	\$0.31	Yes (1)	Martin Lipper	Exercise of stock purchase options	unrestricted	The issuance was exempt from registration pursuant to Section 4(a)(2) of the Securities Act.
Shares Outstanding on 10/31/2020	<u>Ending Balance:</u> Common: <u>3,432,478</u> Preferred: <u>899,400 Series B</u>								

(1) Each stock option entitled the holder thereof to purchase one share of the Company's common stock. The exercise price per share is based upon the market price at the time of the option grant.

#### B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:

#### 4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual):

Name: David P.M. Jamestee  
Title: Chief Financial Officer of the Issuer

The Company's unaudited financial statements for the period ended October 31, 2020 and prepared in substantial compliance with US GAAP by persons with sufficient financial skills posted on the OTC Disclosure and News Service on or about December 15, 2020 and are hereby incorporated by reference.

## **5) Issuer's Business, Products and Services**

### **Business Operations:**

Polydex Pharmaceuticals Limited, through its operating division, Dextran Products and its wholly-owned subsidiary, Chemdex Inc., a Kansas corporation ("Chemdex") is engaged in the development, manufacture and marketing of biotechnology-based products for the human pharmaceutical market, and also manufactures bulk pharmaceutical intermediates for the worldwide veterinary pharmaceutical industry.

The Company focuses on the manufacture and sale of Dextran and derivative products, including Iron Dextran and Dextran Sulphate, and other specialty chemicals. "Dextran," a generic name applied to certain synthetic compounds formed by bacterial growth on sucrose, is a polymer or giant molecule.

### **Date and State (or Jurisdiction) of Incorporation:**

The Company was incorporated under the laws of the Commonwealth of the Bahamas on June 14, 1979 as Polydex Chemicals Limited, and changed its name on March 28, 1984. On March 22, 2017, the Company changed its jurisdiction of incorporation from the Bahamas to the Province of Ontario by filing Articles of Continuance. On May 1, 2017, the Company's two Canadian subsidiaries, Dextran Product Limited and Polydex Chemicals (Canada) Limited were amalgamated into the Company. The foregoing continuance did not affect the Company's stock, which continues to be quoted on the OTC Pink Sheets under the symbol "POLXF."

### **Issuer's Primary SEC Code**

2834

### **Issuer's fiscal year end date:**

January 31.

### **Principal products and/or Services of the Issuer, and their Primary Market:**

#### ***Iron Dextran***

Iron Dextran is a derivative of Dextran produced by complexing iron with Dextran. Iron Dextran is injected into most pigs at birth as a treatment for anemia. The Company sells Iron Dextran to independent distributors and wholesalers primarily in Europe, the Far East, South America and Canada. Chemdex, Inc. has United States FDA approval for the manufacture and sale of Iron Dextran for veterinary use.

#### ***Dextran Sulphate***

Dextran Sulphate is a specialty chemical derivative of Dextran used in research applications by the pharmaceutical industry and other centers of chemical research. Dextran Sulphate manufactured by the Company is sold primarily to independent distributors and wholesalers in the United States and Europe for analytical applications. This usage requires no regulatory approval.

## **6) Issuer's Facilities**

The Company's executive offices, manufacturing plant and storage facility are owned and located in an approximately 30,000 square foot building in Toronto, Ontario. As at October 31, 2020 this facility was encumbered by a bank term loan in the principal amount of CDN \$16,624 that bears interest at a rate of 4.98% per annum. During the term of the loan, the Company is required to make monthly principal and interest payments of CDN\$5,594. The term loan matures on January 29, 2021.

In December 2017, the Company agreed to an additional term loan of CDN \$250,000 with a term of 60 months and an interest rate of 3.97% per annum. As at July 31, 2020 the Company was encumbered by a term loan in the principal amount of CDN \$188,918. The company is required to make monthly principal and interest payments of with monthly payments of CDN \$2,527. The term loan matures in January 2022.

The manufacturing plant has the capacity to simultaneously produce both 10% and 20% Iron Dextran at the rate of up to 40,000 liters per month, and 500 kilograms per month of Dextran Powder

## 7) Officers, Directors, and Control Persons

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Notes
George G. Usher	Chairman of the Board of Directors, President, Chief Executive Officer and Owner of more than 5% of the Company's outstanding Stock	Kettleby, Ontario	269,713 Shares of Common Stock  899,400 Shares of Class B	269,713 Shares of Common Stock  899,400 Shares of Class B	7.86% of the Outstanding Common Stock  100% of the Outstanding Class B Preferred Stock	
David P.M Jamestee	Chief Financial Officer	Mississauga, Ontario	0			
Sharon L. Wardlaw	Chief Operating Officer, Secretary and Treasurer	Toronto, Ontario	2,400	Common shares	0.07%	
Derek John Michael Lederer	Director	Kettleby, Ontario	139,266	Common shares	4.06%	
Joseph Buchman	Director	Glen Cove, NY	136,766	Common shares	3.98%	
Martin Lipper	Director	Lancaster, SC	79,404	Common shares	2.31%	
Estate of Thomas C. Usher, Peter T. Higgs, Trustee c/o Polydex Pharmaceuticals Limited	Owner of more than 5% of the Company's outstanding Stock	Point Roberts, Washington	243,263	Common shares	7.09%	
Wendy Scheven	Owner of more than 5% of the Company's outstanding Stock	Vancouver, BC	174,641	Common shares	5.09%	

**George Usher, CEO, President and Chairman of the Board of Director**

Mr. Usher has served as Chairman of the Board since January 27, 1998, President and Chief Executive Officer of the Company since 1993 and 1996, respectively, and Vice President of Dextran Products Limited, a subsidiary of the Company, since 1987 until the amalgamation May 1, 2017 when Mr. Usher became President & CEO of Dextran Products. Mr. Usher has been employed by the Company in various positions since 1982 and is 62 years old.

**Derek John Michael Lederer, Director**

Mr. Lederer has been a member of the Company's Board of Directors since 1998. Mr. Lederer is a Chartered Accountant and is a partner with the public accounting firm Truster Zweig LLP. Previously he had his own public accounting firm since 1970, and has worked as an adjunct professor at York University in Toronto, Ontario. Mr. Lederer is 79 years old.

**Joseph Buchman, Director**

Mr. Buchman has been a member of the Company's Board of Directors since 1983. Most recently, Mr. Buchman was a Financial Services Representative for MetLife Financial Services, where he worked in various capacities beginning in 1979 until his retirement. Mr. Buchman is 81 years old.

**Marty Lipper, Director**

Mr. Lipper has been a member of the Company's Board of Directors since 2010. He is currently Vice President for Wall Street Commination's Group and a Director of TX Holdings Inc. He previously served as Senior Vice President and Research Director of Baron Group U.S.A., Vice President and Treasurer of APF Electronics, Director of Research for Eastman Dillon Union Securities, Purcell Graham, Brill Securities, and with the Bank of New York as Senior Bank Insurance and Finance Analyst. Mr. Lipper graduated from New York University in 1958 and is 86 years old.

**David P.M. Jamestee, CA, CPA, Chief Financial Officer**

Mr. Jamestee began serving as the Chief Financial Officer of the Company on November 1, 2018. Mr. Jamestee is a Chartered Professional Accountant and is principal of TVH Accounting Professional Corporation, an accounting firm located in Toronto, Canada.

**Sharon Wardlaw, Chief Operating Officer**

Ms. Wardlaw has been employed by the Company since 1984, and is currently the Company's Chief Operating Officer, Treasurer and Secretary. She served as the Company's CFO from 1994 to 2006, and was the President of Dextran Products Limited until the amalgamation May 1, 2017.

**8) Legal/Disciplinary History**

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

N/A

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

N/A

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

N/A

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

N/A

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

N/A

#### **9) Third Party Providers**

Below are the name, address, telephone number and email address of each of the following outside providers:

Below are provided the name, address, telephone number, and email address of each of the following outside providers that advise the company on matters relating to operations, business development and disclosure:

##### Securities Counsel

Name: Jonathan Gardner  
Firm: Kavinoky Cook LLP  
Address 1: 726 Exchange Street  
Address 2: Buffalo, New York  
Phone: 716-845-6000  
Email: [jgardner@kavinokycook.com](mailto:jgardner@kavinokycook.com)

##### Accountant or Auditor

Name: Jonathan Ragnauth  
Firm: Schwartz Levitsky Feldman LLP  
Address 1: 2300 Yonge Street, Suite 1500  
Address 2: Toronto, Ontario, Canada  
Phone: 416-785-5353  
Email: [jonathan.ragnauth@slf.com](mailto:jonathan.ragnauth@slf.com)

##### Investor Relations Consultant

Name: Linda Hughes  
Firm: North Arm Capital Services  
Address 1: #23 – 1728 Edwards Dr.  
Address 2: Point Roberts, Washington, USA, 98281  
Phone: 877-945-1621  
Email: [polydexir@gmail.com](mailto:polydexir@gmail.com)


#### **10) Issuer Certification**



I, George G. Usher certify that:

1. I have reviewed this quarterly report for the quarter ended October 31, 2020 of Polydex Pharmaceuticals Limited;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: December 15, 2020

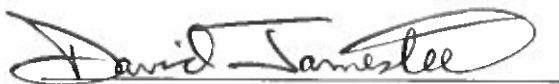
  
George G. Usher  
Chairman, President and Chief Executive Officer  
Polydex Pharmaceuticals Limited

**10) Issuer Certifications (CON'T)**

I, David P.M. Jamestee certify that:

1. I have reviewed this quarterly report for the quarter ended October 31, 2020 of Polydex Pharmaceuticals Limited;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: December 15, 2020

A handwritten signature in black ink, appearing to read "David Jamestee", written over a horizontal line.

David P.M. Jamestee  
Chief Financial Officer  
Polydex Pharmaceuticals Limited