ANTIBE THERAPEUTICS INC.

ANNUAL INFORMATION FORM

FOR THE FISCAL YEAR ENDED MARCH 31, 2023

JUNE 28, 2023

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GLOSSARY

"**AIF**" means Annual Information Form;

"AME" means Absorption, Metabolism and Excretion;

"**Antibe**" or the "**Company**" means Antibe Therapeutics Inc., the Company filing this AIF;

"**Antibe Board**" or "**Board**" means the board of directors of the Company, as constituted from time to time;

"**Antibe Holdings**" or "Holdings" means Antibe Holdings Inc., a corporation existing under the *Business Corporations Act* (Alberta);

"**BRIC**" means, collectively, Brazil, Russia, India and China;

"**CAGR**" means compound annual growth rate;

"**CEO**" means Chief Executive Officer;

"**Common Shares**" means the common shares of the Company;

"**COX**" means cyclo-oxygenase;

"**CRO**" means contract research organization;

"**FDA**" means U.S. Food and Drug Administration;

"**GI**" means gastrointestinal;

"**GLP**" means Good Laboratory Practices;

"**GMP**" means Good Manufacturing Practices;

"**H_2S**" means hydrogen sulfide;

"**ICFR**" means Internal Controls over Financial Reporting;

"**ICH**" means International Conference on Harmonization;

"**IFRS**" means International Financial Reporting Standards;

"**IND**" means investigational new drug;

"**IPO**" means the initial public offering of Common Shares of the Company completed on June 18, 2013;

"**License Agreement**" has the meaning given under the heading "Interests of Management and Other in Material Transactions";

"**MD&A**" means Management Discussion and Analysis;

"**NCE**" means new chemical entity;

"**NDA**" means new drug application;

"**NI 52-109"** means National Instrument 52-109 – "Certification of Disclosure in Issuers' Annual and Interim Filings";

"**NI 52-110**" means National Instrument 52-110 – "Audit Committees" of the Canadian Securities Administrators;

"**NSAID**" means nonsteroidal anti-inflammatory drug;

"**OA**" means osteoarthritis;

"**OBCA**" means the *Business Corporations Act* (Ontario) and the regulations thereunder, as amended;

"**OSC**" means the Ontario Securities Commission;

"**IP**" mean intellectual property;

"**RA**" means rheumatoid arthritis;

"**SEDAR**" mans the System for Electronic Document Analysis and Retrieval;

"**SR&ED**" means Scientific Research and Experimental Development;

"**TSX**" means the Toronto Stock Exchange;

"**UGI**" means upper gastrointestinal.

FORWARD-LOOKING STATEMENTS

Certain statements in this AIF about the Company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expect", "plan", "intend", "trend", "indication", "anticipate", "believe", "estimate", "predict", "likely" or "potential", or the negative or other variations of these words or other comparable words or phrases, are used to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by the Company in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances.

Many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements. The purpose of the forward-looking statements is to provide readers with a description of management's expectations regarding, among other things, the Company's financial performance and research and development plans and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements.

Furthermore, unless otherwise stated, the forward-looking statements are made as of the date of this AIF, and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. New factors emerge from time to time, and it is not possible for the Company to predict which factors may arise. In addition, the Company cannot assess the impact of each factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Without limitation, this AIF may contain forward-looking statements pertaining to the following:

- the Company's research and development plans (including the persons expected to oversee, coordinate and participate in such plans), business model, strategic objectives and growth strategy;
- the Company's current and future capital requirements and the need for additional financing;
- the continuation of the Company as a going concern;
- the payment of dividends;
- the Company's expectations regarding net losses and revenue generation; and
- the Company's expectations regarding increases in research and development costs and general and administrative expenses.

With respect to forward-looking statements, assumptions have been made regarding, among other aspects:

- the Company's future research and development plans proceeding substantially as currently envisioned;
- expected research and development tax credits;
- future expenditures to be incurred by the Company;
- research and development and operating costs;
- the Company's ability to find partners in the pharmaceutical industry;
- additional sources of funding, including the Company's ability to obtain funding from partners;

- the impact of competition on the Company; and
- the Company being able to obtain financing on acceptable terms.

Because the factors discussed in this AIF could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made by the Company, readers should not place undue reliance on any such forward-looking statements. These statements are subject to risks and uncertainties, known and unknown, which could cause actual results and developments to differ materially from those expressed or implied in such statements. Such risks and uncertainties relate, among other factors, to:

- the Company's history of operating losses;
- the Company's ability to obtain additional capital in the future to conduct operations, research and development activities and develop its products;
- the availability of tax credits;
- the Company's ability to find partners in the pharmaceutical industry;
- the Company's ability to license its products on terms and conditions acceptable to the Company;
- the Company's ability to compete against other companies and research institutions with greater financial and other resources;
- the Company's ability to secure and maintain adequate protection for its intellectual property;
- the Company's ability (or the ability of the Company's partners) to obtain regulatory approvals for the Company's products;
- the Company's ability to attract and retain key personnel; and
- the potential impact of the COVID-19 pandemic on the Company's operations.

The Company's actual results could differ materially from those discussed in the following AIF.

Except where otherwise indicated or where the context otherwise requires, all references in this annual information form ("AIF") to the "Company" or "Antibe" are to Antibe Therapeutics Inc. Unless otherwise indicated, all dollar amounts are expressed in thousands of Canadian dollars and the statistical and financial data and other information contained in this AIF are presented as at March 31, 2023.

CORPORATE STRUCTURE

General

The Company was incorporated under the Business Corporations Act (Ontario) on May 5, 2009. The Company was originally established under the legal name 2205405 Ontario Inc. On December 16, 2009, the Company changed its name to Antibe Therapeutics Inc. On June 18, 2013, the Company completed its initial public offering and was listed on the TSX Venture Exchange. On November 12, 2020, the Company graduated to the Toronto Stock Exchange. The Company trades over-the-counter in the United States on the OTCQX market. The address of the Company's registered office and principal place of business is 15 Prince Arthur Avenue, Toronto, Ontario, Canada, M5R 1B2.

Intercorporate Relationships

The Company was incorporated as a wholly-owned subsidiary of Antibe Holdings ("Holdings") with an exclusive Intellectual Property ("IP) license from Holdings to develop and commercialize the Company's pipeline drugs. The license obligated the Company to pay royalties to Holdings on future revenues derived from this IP. On June 3, 2021, the Company completed a transaction with Holdings by way of a three-corner amalgamation. Pursuant to the transaction, the Company acquired full ownership of Holdings' patent portfolio, eliminating the royalty liability on future revenues. In consideration, Antibe issued an aggregate of 5,873,092 common shares in the capital of the Company to acquire all of the issued and outstanding shares of Holdings.

In 2016, the Company completed the acquisition of Citagenix Inc., a Montreal-based sales and distribution company with a focus on regenerative medicine. In November 2022, the Company announced the closing of its sale of Citagenix to HANSAmed Limited. (Please see "Fiscal 2023 Developments" for further detail.)

GENERAL DEVELOPMENTS OF THE BUSINESS

This section describes the important developments for the Company in general and for its drug candidates and regenerative medicine products over the last three completed financial years. Additional details related to the Company's drug development and commercial activities are included in the "The Business" section of this document. On December 1, 2020, the Company completed a share consolidation of the Company's issued and outstanding common shares on the basis of one (1) new common share for every ten (10) common shares issued and outstanding. All common shares, options, restricted share units, warrants and per share amounts have been restated to give retrospective effect to the share consolidation.

Fiscal 2021 Developments

Financial and Operational

On May 6, 2020, the Company announced the hiring of Dr. Joseph Stauffer in the new role of Chief Medical Officer ("CMO"). An experienced anesthesiologist, Dr. Stauffer has served as CMO in public and private drug therapy companies for nearly 20 years, building teams of physicians, scientists, regulators and safety experts to drive clinical success for a number of chronic and acute pain assets. Dr. Stauffer will assume a leadership role in Antibe's clinical development strategy and its increasing engagement with global regulatory agencies and potential large market partners.

On June 30, 2020, the Company announced that it closed a bought deal public offering of 6,250,000 units of the Company (the "Units") at a price of $4.00 per Unit plus the exercise in full of the Underwriters' over-allotment option of 937,500 units for aggregate gross proceeds of $28,750. Each Unit was comprised of one common share of the Company and one-third of one common share purchase warrant. Each full warrant is exercisable to purchase one common share at any time prior to June 30, 2022 at a price of $6.00 per common share.

On November 12, 2020, the Company completed its graduation to the Toronto Stock Exchange ("TSX") and the Common Shares began trading on the TSX under the symbol "ATE". In connection with the Company's graduation to the TSX, concurrently, the Company's common shares (the "Common Shares") have been voluntarily delisted from the TSX Venture Exchange. The Common Shares will continue to trade on the OTCQX market under the symbol "ATBPF".

On November 24, 2020, the Company announced the appointment of Robert E. Hoffman and Jennifer McNealey to its Board of Directors. Mr. Hoffman is President, CEO and Chairman of Kintara Therapeutics and formerly the Chief Financial Officer of San Diego-based Heron Pharmaceuticals, a NASDAQ-listed commercial stage drug developer with a pipeline of acute pain therapeutics. Ms. McNealey is Chief Financial Officer of Abdera Therapeutics and a senior financial and strategy executive with a considerable breadth of experience in the biotechnology sector, as an analyst, portfolio manager, information provider and expert in corporate communications and investor relations.

On February 9, 2021, the Company licensed otenaproxesul to Nuance Pharma Limited ("Nuance") for commercialization in the Greater China region. The license provides Nuance with exclusive rights to commercialize otenaproxesul in China, Hong Kong, Macau, and Taiwan. Under the terms of the agreement, Antibe is entitled to US$100 million in milestone payments, including US$20 million upfront and US$80 million in development and sales milestones, in addition to a double-digit royalty on sales. Clinical development and regulatory costs for the region will be borne by Nuance.

On February 24, 2021, the Company announced that it has closed a bought deal public offering of 6,727,500 units (the "Offered Securities") in the capital of the Company at a price of $6.00 per Offered Security (the "Offering Price") for aggregate gross proceeds to the Company of $40,365, which included the full exercise of the over-allotment option by the underwriters. Each Offered Security consisted of one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one common share at an exercise price of $7.50 for a period of 36 months from closing.

Developmental

On June 1, 2020 the Company announced that otenaproxesul met the primary endpoint in the Phase IIB dose-ranging, efficacy study. Both the 250 mg and 200 mg doses of otenaproxesul demonstrated superiority to placebo in reducing OA pain with a high level of statistical significance. The 150 mg dose of otenaproxesul, although not powered for statistical significance, demonstrated an efficacy signal with the lowest effective dose yet to be established. The drug was safe and well tolerated during this study. Transient liver transaminase elevations between 7.2% to 12.9% were noted across the three otenaproxesul treatment arms. No clinically meaningful gastrointestinal, renal or measured cardiovascular safety outcomes were reported. A total of 384 patients with OA of the knee were randomized to either placebo or otenaproxesul administered once daily: 250 mg, 200 mg or 150 mg. The primary objective in the study was to demonstrate the statistically significant superiority of otenaproxesul versus placebo in reducing OA pain as measured by the change from baseline in the WOMAC pain subscale score over a 14-day treatment period. (See "Phase IIB Dose-Ranging, Efficacy Study" for further detail.)

On March 29, 2021, Antibe announced that the U.S. FDA had cleared the Company's Investigational New Drug ("IND") application for otenaproxesul for the treatment of osteoarthritis pain. This enables Antibe to undertake human clinical trials in the U.S.

Fiscal 2022 Developments

Financial and Operational

On June 3, 2021, the Company completed a transaction with Holdings by way of a three-corner amalgamation. Pursuant to the transaction, the Company acquired full ownership of Holdings' patent portfolio, eliminating the royalty liability on future revenues. In consideration, Antibe issued an aggregate of 5,873,092 common shares in the capital of the Company to acquire all of the issued and outstanding shares of Holdings.

Developmental

In July 2021, the Company completed a single-dose pharmacokinetic ("PK") and pharmacodynamic ("PD") study in 24 healthy volunteers in the U.S. subsequent to its IND filing with the U.S. FDA. Subjects were administered the single dose of either 150 mg or 100 mg of otenaproxesul, tolerating the drug without incident and successfully completing on-

study and follow-up assessments with no clinically meaningful adverse events or clinically significant laboratory abnormalities.

On August 3, 2021, the Company announced that it had placed its absorption, metabolism and excretion ("AME") study of otenaproxesul on a required pause because a pre-specified safety threshold was exceeded. On October 14, 2021, the Company completed a scientific and strategic review and launched an acute pain program for otenaproxesul; clinical studies commenced in calendar Q1 2022.

Fiscal 2023 Developments

Financial and Operational

On May 25, 2022, the Company announced the appointment of Robert E. Hoffman, a Director of Antibe, as the new Chair of its Board of Directors. The Company also created two corporate Vice Chair positions to recognize the contributions of Walt Macnee, the outgoing Chair, and Dr. John L. Wallace, Chief Scientific Officer and Director since he founded the Company. As Vice Chairs, they will provide ongoing counsel to the Company on key business initiatives while also both continuing to serve on its Board of Directors. Dr. Wallace is also taking the opportunity to return to his vocation as a research scientist, with a continued focus on enriching the Company's pipeline.

In calendar Q3 2022, a third-party commercial assessment of otenaproxesul was completed, indicating potential robust sales and strong market adoption rates (see accompanying MD&A for further details). Antibe has also concluded a comprehensive strategic positioning assessment of otenaproxesul for acute pain in the U.S. market.

On November 1, 2022, the Company announced the closing of the sale of Citagenix to HANSAmed Limited in an all-cash transaction. The transaction involves a guaranteed $3.5 million, divided into four equal payments over three years, with an additional $4 million subject to Citagenix achieving sales milestones in the four year period following closing. The purchase price is also subject to working capital adjustments. In accordance with the agreement, the Company received proceeds totaling approximately $1.4 million, comprising the first of the four guaranteed payments of $875 thousand and an adjustment of approximately $0.5 million in estimated excess working capital. In addition, prior to the closing Citagenix paid the Company $1.1 million to retire Preferred Shares in Citagenix.

Developmental

On October 12, 2022, Antibe announced otenaproxesul's transition to a faster-absorbing formulation to accelerate onset of action; also enabling treatment regimens with lower drug doses, providing additional safety buffer and a potential pathway to address chronic pain indications. A patent application was filed for this new formulation, strengthening IP protection to 2043.

In late calendar Q4 2022, the Company selected lead and back up candidates for its IBD program; a patent application was filed in calendar Q2 2023.

On February 15, 2023, Antibe announced results from DILIsym, a sophisticated software model widely used to predict liver safety, suggesting that all envisioned acute pain treatment regimens of the new formulation are liver-safe for five-day treatment durations (including ten days post treatment follow up).

Subsequent Developments

In May 2023, arbitration proceedings were held with Nuance Pharma Limited ("Nuance"), one of the Company's license partners. Nuance holds a license from Antibe respecting the commercialization of otenaproxesul in China, Macau, Hong Kong and Taiwan. (Please see "Legal Proceedings" for further information.)

Expected Future Developments

Going forward into the fiscal 2024 period, Antibe expects to commence Phase II development of otenaproxesul for acute pain indications in calendar Q1 2024. If the Phase II program is successful, the Company will request an End of Phase 2 meeting with the U.S. FDA to discuss the Phase III program. It is anticipated that the full Phase III program for otenaproxesul can be completed within 12-18 months from initiation. If the Phase III program is successful, the Company intends to apply for marketing approval for a broad acute pain indication. Upon marketing approval, Antibe

plans to initiate a series of studies to further investigate the effectiveness of otenaproxesul in a range of additional and promising acute pain indications. The Company also expects to commence IND-enabling studies in the fiscal 2024 period for at least one of its other pipeline assets.

THE BUSINESS

Overview

Antibe is a clinical stage biotechnology company leveraging its proprietary hydrogen sulfide ("H_2S") platform to develop next-generation therapies to address inflammation arising from a wide range of medical conditions. The Company's current pipeline includes therapies that seek to overcome the gastrointestinal ("GI") ulcers and bleeding associated with nonsteroidal anti-inflammatory drugs ("NSAIDs"). Antibe's lead drug, otenaproxesul, is in development for the treatment of acute and chronic pain. The Company's second pipeline drug is a GI-sparing alternative to ketoprofen. The Company's next target is inflammatory bowel disease ("IBD"), a condition long in need of safer, more effective therapies.

The Company's overall strategy is to monetize otenaproxesul and its drug pipeline at the optimal time through partnering or mergers and acquisitions ("M&A") activity. Antibe's primary regulatory focus is to obtain United States Food and Drug Administration ("U.S. FDA") approval for otenaproxesul given that the United States is the world's largest pharmaceutical market. The Company is also planning to pursue regulatory approval in major markets in Europe and Asia.

In March 2018, otenaproxesul met its primary endpoint in a 14-day Phase IIB double-blind trial vs naproxen showing a statistically significant difference in the incidence of ulcers, a measure of gastrointestinal safety (2.5% versus 42.1% ulceration rate of at least 3 mm in diameter).

In June 2020, otenaproxesul met its primary endpoint in a Phase IIB dose-ranging, efficacy study by demonstrating superiority to placebo in reducing osteoarthritis pain with a high degree of statistical significance. At the post-treatment assessment, patients had clinically significant, transient liver transaminase elevation ("LTE ") incidences ranging from 7.2% to 12.9%. It is standard for pain trials to allow the use of other medications, commonly acetaminophen. Especially in the post-treatment assessment period, acetaminophen use, pre-existing liver conditions and concomitant statin use were associated with a majority of the LTE incidents. Given the efficacy signal observed with the lowest dose in this trial, future development would examine use of lower doses.

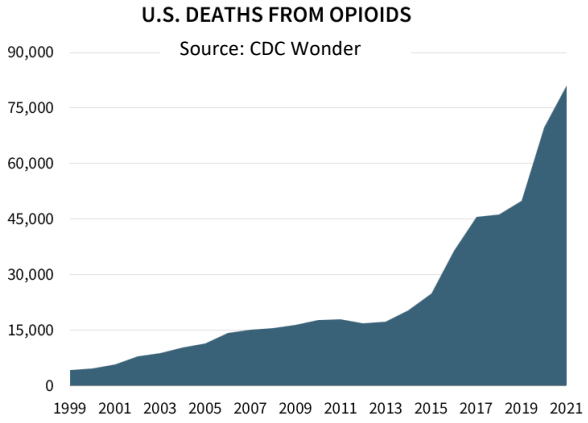
In August 2021, LTEs were observed in a subset of subjects in an AME study conducted at lower doses, presenting a challenge for daily drug administration over longer treatment durations. The Company then undertook and completed a scientific and strategic review leading to the launch of an acute pain program for otenaproxesul; clinical studies commenced in calendar Q1 2022. The Company continues to investigate alternative formulations and dosing regimens as a potential path forward for chronic indications.

Novel Drug Development Platform

Antibe's drug development platform originates, develops and out-licenses patent protected new pharmaceuticals that are improved versions of existing drugs. These improvements arise from Nobel Prize-winning medical research[1] highlighting the crucial role of gaseous mediators: chemical substances produced in the human body to regulate a range of fundamental cellular processes. The Company's drug design methodologies involve chemically linking a base drug to a hydrogen sulfide-releasing moiety; in short, improving existing inflammation-targeted therapies with the goal of making them safer and/or more effective.

[1] The 1998 Nobel Prize in Physiology or Medicine was awarded jointly to Robert F. Furchgott, Louis J. Ignarro and Ferid Murad "for their discoveries concerning nitric oxide as a signaling molecule in the cardiovascular system". Dr. Ignarro is a member of the Company's Scientific Advisory Board.

Opioid Crisis Drives Need for New Non-Addictive Pain Medications



As the resurgent global opioid crisis drives prescribers, patients, payors and policymakers toward non-addictive alternatives, NSAIDs are increasingly used to treat acute pain, especially post- operative pain. However, today's NSAIDs can cause gastrointestinal ("GI") ulcers and bleeding, especially at the higher doses often employed in acute indications. Given the lack of innovation in oral analgesics in the last 20 years, this represents a significant opportunity, as these drugs are only category of medications suitable for the transition to home recovery. This issue was emphasized in 2022 by new draft guidance from both the CDC and the FDA highlighting the urgent need for new non-opioid pain medications.[2]

The largest segment of the US$25 billion acute pain market[3] is the US$13 billion post-operative pain segment,[4] with opioids and NSAIDs accounting for the majority share. In the U.S., there are 76 million surgical procedures annually[5] and more than two million Americans may become persistent opioid users each year.[6]

The Global NSAID Market

NSAIDs are one of the largest classes of drugs worldwide, with sales of US$18 billion,[7] representing a significant portion of the US$52 billion global pain management market for pharmaceuticals and medical devices.[8] In treating post-operative pain, NSAIDs are employed to replace opioids and as a component of multimodal analgesia, a growing practice whereby multiple drugs are administered to achieve optimal pain reduction. Market leaders include well-known prescribed medicines such as Pfizer Inc.'s Celebrex® (US$1.2 billion in 2019 annual sales (GlobalData)) and Novartis International AG's Voltaren® (US$417 million in 2019 annual sales (GlobalData)). Leaders in the over-the-counter segment include Advil® and Aleve®.

This class of drugs has been widely used for decades to treat acute and chronic pain, fever and inflammation from conditions such as osteoarthritis ("OA"), rheumatoid arthritis ("RA") and gout. They have also been used to treat acute or chronic pain associated with injuries, surgical and dental procedures, back pain and headaches.

[2] New York Times, C.D.C. Proposes New Guidelines for Treating Pain, Including Opioid Use (Feb 10, 2022).

[3] GlobalData, Statista, DataBridge, DelveInsight, Allied Market Research, Biotech Advisors, Antibe internal estimates.

[4] Transparency Market Research (2019), 2021 estimate.

[5] Gan et al., *Journal of Pain Research* (2017).

[6] Brummett et al., *JAMA Surgery* (2017).

[7] Fortune Business Insights (2020), 2022 estimate.

[8] BCC Research (2017), 2022 estimate.

GI Safety – The Unmet Medical Need

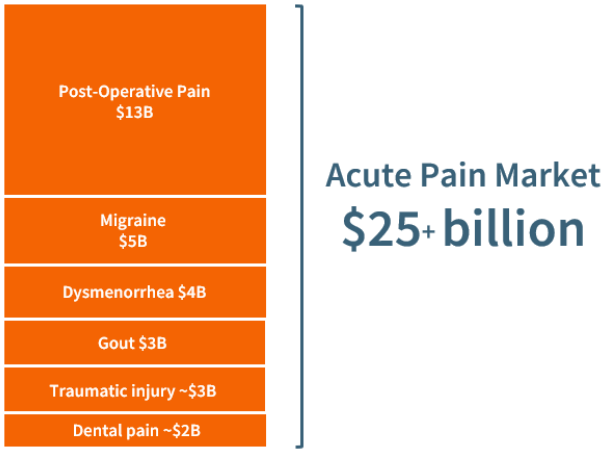
The therapeutic anti-inflammatory effects of NSAIDs are attributable to the inhibition of cyclooxygenase ("COX") enzymes. However, NSAIDs have well-known and serious adverse side effects, including the bleeding and ulceration in the gastrointestinal tract. In severe cases, NSAID usage can result in fatal GI ulceration and bleeding. Even in short-term use, they triple the risk of serious GI outcomes.[9] These side effects occur at an even higher rates in patients with other common disorders (e.g. arthritis, hypertension and obesity) and in the elderly. A second-generation of NSAIDs, known as selective COX-2 inhibitors, including Vioxx, Celebrex and Bextra, were developed with GI safety in mind.

These drugs have only been marginally effective in reducing such side effects but carry additional cardiovascular toxicity risks. Such increased risks of adverse cardiovascular events resulted in the removal of Vioxx and Bextra from global markets in 2004. Notably, opioids also can cause adverse GI effects, including nausea, vomiting and severe constipation – leading to patient discomfort and the costs of extended hospitalization.[10]

Antibe's drug design represents a significant opportunity for the development of a new class of NSAID-based compounds, which exhibit equal or greater efficacy than currently marketed drugs while drastically reducing adverse GI side effects. No current drug appears to meet these criteria, resulting in a significant unmet medical need. Furthermore, there are few novel NSAIDs in development, most being reformulations or combinations of existing drugs.

Otenaproxesul: Antibe's Lead Drug

Otenaproxesul (formerly ATB-346) combines a moiety that releases a gaseous mediator (H_2S) with naproxen, a widely used NSAID, to create a novel therapeutic compound. Antibe is leveraging the drug's remarkable potency, GI protection, and its overall safety profile to position otenaproxesul as the NSAID-of-choice for acute pain. Antibe plans to seek a broad acute pain label that will enable prescribers to use otenaproxesul for a range of indications including post-operative pain, acute musculoskeletal pain, dysmenorrhea, migraine, gout and dental pain – all large markets with an ongoing medical need for safe and effective therapies.



[9] Fine M, *American Journal of Managed Care* (2013).
[10] Whitman CJ et al., *Journal of Opioid Management* (2015).

Table 1. Otenaproxesul Product Profile (Acute Pain)

Disease Condition(s):	Acute pain; the drug is being positioned as the NSAID-of-choice for acute pain, including post-operative pain, acute musculoskeletal pain, dysmenorrhea, migraine, gout and dental pain. Antibe continues to investigate alternative formulations and dosing regimens as a potential path forward for chronic indications.
Product Description:	Otenaproxesul is a hydrogen sulfide-releasing derivative of naproxen (naproxen is among the most commonly used and most cardiovascular-safe of the NSAID class). The drug's new formulation (announced in October 2022) is a faster-absorbing version of the original formulation.
Target Segment(s) and Marketplace:	The Company intends to apply for marketing approval for a broad acute pain indication, a US$25+ billion market that includes post-operative pain, acute musculoskeletal pain, dysmenorrhea, migraine, gout and dental pain, all large segments with few safe and effective therapies.
Preclinical Studies:	The drug remained GI-safe when given to animals with compromised mucosal defense or pre-existing ulcers—situations in which selective COX-2 inhibitors cause ulcers and bleeding in humans. It also remained safe when co-administered with aspirin. In addition, otenaproxesul did not elevate blood pressure when administered to hypertensive rats, in contrast to a hypertensive effect with naproxen in rats. Antibe has an extensive database of preclinical data collected from studies using a variety of validated animal models to assess the effectiveness and safety of otenaproxesul.
Clinical Studies (chronic pain):	In March 2018, otenaproxesul met its primary endpoint in a Phase IIB double-blind trial vs naproxen, showing a statistically significant difference in the incidence of ulcers, a measure of gastrointestinal ("GI") safety (2.5% versus 42.1% ulceration rate of at least 3 mm in diameter). In June 2020, otenaproxesul met its primary endpoint in a Phase IIB dose-ranging, efficacy study by demonstrating superiority to placebo in reducing osteoarthritis pain with a high degree of statistical significance. Transient liver transaminase elevations ranging from 7.2% to 12.9% were noted across the three otenaproxesul treatment arms. It is standard for pain trials to allow the use of other medications, commonly acetaminophen. Especially in the post-treatment assessment period, acetaminophen use, pre-existing liver conditions and concomitant statin use were associated with a majority of the LTE incidents. Given the efficacy signal observed with the lowest dose in this trial, future development would examine the use of lower doses. In August 2021, LTEs were observed in a subset of subjects in an AME study conducted at lower doses, presenting a challenge for daily drug administration over longer treatment durations. While continuing to investigate alternative formulations and dosing regimens as a potential path forward for chronic indications, the Company has launched an acute pain program for otenaproxesul.
Development Status:	The Company has received clearance for an IND application with the U.S. FDA to allow clinical testing of otenaproxesul in the United States. The Company launched otenaproxesul's clinical program for post-operative pain in calendar Q1 2022 and anticipates delivering top-line data from the Phase II program in calendar Q2 2024.

Development Plan and Recent Activity

By leveraging otenaproxesul's existing comprehensive clinical data package, including its demonstrated efficacy and GI safety profile, the Company launched its acute pain clinical program in calendar Q1 2022. This program began with a series of short pharmacokinetic/pharmacodynamic ("PK/PD") studies to identify optimal treatment regimens for post-operative pain before entering Phase II. Although four such studies were planned, the Company concluded that the results from the first two studies warranted moving into a Phase II program.

In late calendar 2021, the Company began intensive research to improve the immediate post-treatment bioavailability of otenaproxesul while concomitantly accelerating onset of cyclooxygenase inhibition, seeking tablet dosages much lower in strength than would be needed with the existing drug formulation. In October 2022, Antibe announced a new formulation of otenaproxesul that aims to increase the drug's therapeutic benefit and commercial potential. Its intended benefits include: (i) rapid dissolution mechanics, accelerating otenaproxesul's onset of action, a key benchmark for acute pain medications; and (ii) enhanced bioavailability, enabling a significant dose reduction compared to its current formulation. The lower dose provides an additional safety buffer as well as a potential pathway to address chronic pain indications. The new formulation was developed in collaboration with Antibe's global manufacturing partner; all related IP is owned exclusively by Antibe.

The transition to the new formulation enabled Antibe to bypass the Phase II molar extraction study originally planned for calendar Q4 2022. Instead, the Company captured the necessary data via a set of de-risking animal studies that recently concluded. To confirm the optimal dosing regimens for the upcoming Phase II bunionectomy trial, a relatively small PK/PD study in healthy volunteers is expected to complete in calendar Q4 2023. The Phase II bunionectomy trial is slated to initiate in calendar Q1 2024 at leading U.S. sites for this type of surgery. The surgical bunionectomy model is recognized as one of the most reliable methods for evaluating analgesic efficacy in post-operative pain.

If the Phase II program is successful, the Company will request an End of Phase 2 meeting with the U.S. FDA to discuss the Phase III program. Given the short treatment durations employed in acute pain trials, it is anticipated that the full Phase III program for otenaproxesul can be completed within 12-18 months from initiation. This includes two concurrent, pivotal efficacy trials to assess post-operative pain relief for the following surgical procedures: (i) the hard tissue model of bunionectomy, replicating the second Phase II trial with a larger sample size; and (ii) abdominoplasty, a widely accepted soft-tissue surgical model. The Company intends to apply for marketing approval for a broad acute pain indication. Upon marketing approval, Antibe plans to rapidly initiate a series of studies to further investigate the effectiveness of otenaproxesul in a range of promising acute pain indications. The Company also intends to utilize the characteristics of the acute pain dosing regimen to identify an optimal dosing regimen for chronic pain indications.

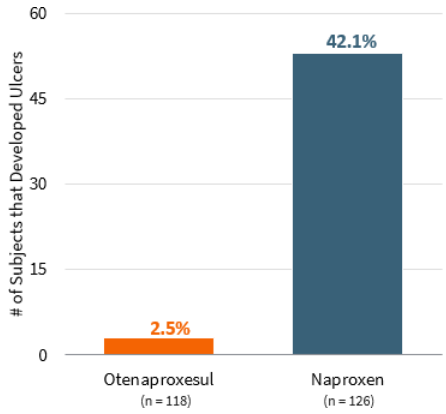
Given the extensive animal studies already performed in support of otenaproxesul's chronic pain program, the Company anticipates a requirement for only two additional animal studies for the acute pain program. These studies are expected to be conducted in parallel with the drug's Phase III program.

The following summarizes the Company's estimated timeline for otenaproxesul:

- Complete clinical PK/PD study for otenaproxesul – calendar Q4 2023
- Initiate Phase II bunionectomy trial of otenaproxesul – calendar Q1 2024
- Deliver Phase II bunionectomy top-line data of otenaproxesul – calendar Q2 2024

Phase IIB GI Safety Study *(Completed in March 2018).* Antibe received approval from Health Canada in August 2017 to conduct a Phase II, double-blind GI safety trial of otenaproxesul in 244 healthy volunteers. The study was designed to demonstrate the superiority of otenaproxesul in GI safety compared to naproxen, the most prescribed NSAID in the United States. One group was treated for 14 days with otenaproxesul (250 mg once daily) while the other group was treated for 14 days with the standard prescription dose of naproxen (550 mg twice daily). The primary endpoint for the study was the incidence of gastric or duodenal ulcers of at least 3 mm diameter with unequivocal depth, considered the gold standard in assessing the GI safety of NSAIDs. On March 20, 2018, Antibe announced that otenaproxesul successfully met the primary endpoint in the study. Subjects on otenaproxesul exhibited an ulceration rate of 2.5% (3/118) versus an ulceration rate of 42.1% (53/126) for subjects on naproxen at the end of the treatment period *(Figure 1)*, with a very high degree of statistical significance ($p<0.0001$). Otenaproxesul was also safe and well tolerated.

Figure 1. Gastric Ulcer Incidence of Otenaproxesul Versus Naproxen During Two-Week Treatment Period



On July 3, 2018, the Company announced the secondary endpoint data from the Phase IIB GI safety study for otenaproxesul. The secondary endpoints were: incidence of gastric or duodenal ulcers of at least 5 mm diameter with unequivocal depth; number of gastric and/or duodenal erosions and/or ulcers; incidence of dyspepsia leading to discontinuation of study treatment; changes from baseline in hematocrit levels; and changes from baseline in ex vivo whole blood thromboxane B2 (TXB2) synthesis, a known biomarker for cyclo-oxygenase (COX) inhibition. No subjects treated with otenaproxesul exhibited ulcers of more than 5 mm diameter (0% ulcer incidence) versus 30 subjects treated with naproxen (24% ulcer incidence), with an average of 2.5 ulcers per subject *(Figure 2)*. Furthermore, there were a total of 4 gastric ulcers and 0 duodenal ulcers in the otenaproxesul group, versus a total of 203 gastric and duodenal ulcers in the naproxen group *(Figure 3)*. Both naproxen and otenaproxesul inhibited TXB2 synthesis by more than 94% *(Figure 4)*.

Figure 2. Incidence of Large GI Ulcers (≥5mm diameter)

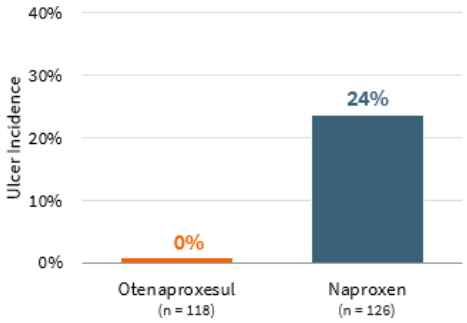


Figure 3. Total Number of GI Ulcers (≥3mm diameter)

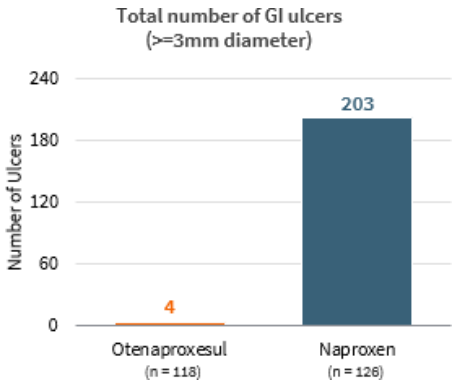
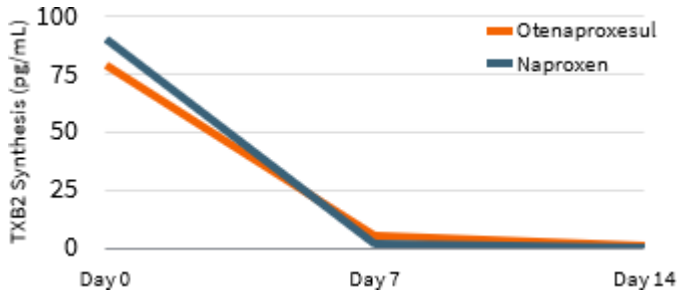


Figure 4. COX Inhibition



Phase IIB Dose-Ranging, Efficacy Study *(Completed in June 2020).* On June 1, 2020, the Company announced that otenaproxesul met the primary endpoint in the Phase IIB dose-ranging, efficacy study. Both the 250 mg and 200 mg doses of otenaproxesul demonstrated superiority to placebo in reducing osteoarthritis ("OA") pain with a high level of statistical significance. The 150 mg dose of otenaproxesul, although not powered for statistical significance, demonstrated an efficacy signal. A total of 384 patients with OA of the knee were randomized to either placebo or otenaproxesul administered once daily: 250 mg, 200 mg or 150 mg. The primary objective in the study was to demonstrate the statistically significant superiority of otenaproxesul versus placebo in reducing OA pain as measured by the change from baseline in the WOMAC pain subscale score over a 14-day treatment period.

The drug was safe and well tolerated during this study. Transient liver transaminase elevations ("LTEs") ranging from 7.2% to 12.9% were noted across the three otenaproxesul treatment arms. It is standard for pain trials to allow the use of other medications, commonly acetaminophen as a pain rescue medication. Notably, in the post-treatment assessment period, acetaminophen use, pre-existing liver conditions and concomitant statin use were associated with a majority of the LTE incidents. No clinically meaningful gastrointestinal, renal or measured cardiovascular safety outcomes were reported.

Otenaproxesul demonstrated superiority to placebo at doses of 250 mg (p-value of 0.01) and 200 mg (p-value of 0.007). Similar efficacy was observed between these doses *(Figure 5)*, suggesting that the upper range of the dose-response curve has been reached. The 150 mg dose demonstrated an efficacy signal and had it been equivalently powered to the other treatment arms, the Company believes it would have achieved statistical significance. Given the efficacy signal observed with the 150 mg dose, future development at doses of 150 mg and lower warranted further investigation.

Figure 5. Phase IIB Efficacy Study – Primary Efficacy Endpoint Data (Symptomatic Benefit)

		Otenaproxesul		
	Placebo	250 mg	200 mg	150 mg
WOMAC pain score at baseline (day 0)	325.7	318.5	325.2	325.8
WOMAC pain score at day 4	261.4	229.8	237.4	230.2
Reduction versus baseline at day 4 (%)	*20.3%*	*28.3%*	*27.3%*	*29.3%*
WOMAC pain score at day 14	228.2	183.2	183.8	203.4
Reduction versus baseline at day 14 (%)	*32.7%*	*43.6%*	*43.7%*	*39.3%*
Primary endpoint: p-value versus placebo (day 14)	-	**0.01**	**0.007**	**0.13**

WOMAC scores based on 500-point Likert scale; reduction figures normalized to 100mm WOMAC pain subscale
Study population: 250 mg = 132 patients; 200 mg = 125 patients; 150 mg = 61 patients; placebo = 66 patients

In addition, both the 250 mg and 200 mg doses of otenaproxesul demonstrated a highly statistically significant reduction in the WOMAC stiffness subscale score ($p<0.001$ for both doses) and both doses were superior to placebo in the WOMAC difficulty performing daily activities (DPDA) subscale score (p-value of 0.004 and 0.001, respectively). While not statistically powered, the 150 mg dose of otenaproxesul nonetheless demonstrated a statistically significant improvement in stiffness compared to placebo (p-value of 0.03) and displayed an efficacy response in DPDA *(Figure 6)*.

Figure 6. Phase IIB Efficacy Study – Secondary Efficacy Endpoint Data (Therapeutic Benefit)

	Placebo	ATB-346 (250 mg)	ATB-346 (200 mg)	ATB-346 (150 mg)
WOMAC stiffness reduction versus baseline (%)	23.8%	41.7%	40.5%	36.2%
p-value versus placebo (day 14)	-	**< 0.001**	**< 0.001**	**0.03**
WOMAC DPDA reduction versus baseline (%)	24.3%	38.4%	40.1%	32.5%
p-value versus placebo (day 14)	-	**0.004**	**0.001**	**0.106**

Adverse events typically associated with NSAID use, such as dyspepsia, acid reflux and dizziness, were comparable across placebo and all three treatment arms of otenaproxesul *(Figure 7)*. There were very few serious adverse events or events leading to withdrawal of treatment.

Figure 7. Phase IIB Efficacy Study – Summary of Adverse Events

Patient-reported adverse event (>= 2%)	Placebo	ATB-346 (150 mg)	ATB-346 (200 mg)	ATB-346 (250 mg)
Dyspepsia	1.5%	1.6%	4.8%	4.5%
Constipation	0.0%	4.9%	1.6%	1.5%
Diarrhea	7.6%	1.6%	1.6%	1.5%
Nausea	1.5%	1.6%	1.6%	3.0%
Dizziness	0.0%	0.0%	1.6%	3.8%
Gastroesophageal reflux disease	3.0%	3.3%	0.8%	3.0%
Abdominal pain	0.0%	0.0%	0.8%	2.3%
Abdominal pain upper	1.5%	1.6%	0.8%	2.3%
Faeces soft	3.0%	0.0%	0.0%	0.8%
Pain	3.0%	0.0%	0.8%	2.3%
Headache	3.0%	3.3%	3.2%	7.6%
Nasopharyngitis	4.5%	1.6%	0.8%	3.0%
Urinary tract infection	0.0%	3.3%	3.2%	0.0%

Only 1 out of 318 patients administered otenaproxesul had clinically significant, transient liver transaminase elevations (LTEs) during the 14-day treatment period. At the post-treatment assessment (day 24), patients in the 250 mg, 200 mg and 150 mg treatment arms had clinically significant, transient LTE incidences of 12.9%, 7.2% and 9.8%, respectively. It is standard for pain trials to allow the use of other medications, commonly acetaminophen. Acetaminophen use, especially in the post-treatment assessment period, pre-existing liver conditions and concomitant statin use were associated with a majority of the LTE incidents. The study was conducted by Veristat, LLC in 39 clinical sites across Canada.

Trial participants treated with otenaproxesul experienced neither an increase nor decrease in blood pressure in contrast with other non-aspirin NSAIDs, which often increase blood pressure. The absence of an increase in blood pressure has been a consistent finding in all of otenaproxesul's clinical trials to-date.

On March 29, 2021, Antibe announced that the U.S. FDA had cleared the Company's Investigational New Drug ("IND") application for otenaproxesul. This enables Antibe to undertake human clinical trials for otenaproxesul in the United States. In July 2021, the Company completed a single-dose pharmacokinetic ("PK") and pharmacodynamic ("PD") study in 24 healthy volunteers in the U.S. subsequent to its IND filing with the U.S. FDA. Subjects administered a single dose of either 150 mg or 100 mg of otenaproxesul, tolerated the drug without incident and successfully completed on-study and follow-up assessments without the development of clinically meaningful adverse events or clinically significant laboratory abnormalities. The results are being used to guide future development of otenaproxesul.

Absorption, Metabolism and Excretion ("AME") Study. In July 2021, the Company commenced an AME study using lower doses (i.e., ≤150 mg per day), which was expected to conclude in calendar Q4 2021. On August 3, 2021, the Company announced that it had placed the AME study on a required pause because a pre-specified safety threshold was exceeded. At that point, the study had enrolled a total of 42 subjects on either a 75 mg or 100 mg daily dose of otenaproxesul, of whom 35 had completed the 28-day drug administration period, with seven subjects having been administered the drug for 21 days. Three subjects in the 100 mg cohort, who had completed the full drug administration period, exhibited liver transaminase elevations ("LTEs") exceeding five times the upper limit of normal, triggering the required pause. Other indicators of liver function for these subjects were normal. Following the 4-week drug administration period, a further three subjects exhibited similar LTEs. All six subjects, including five in the 100 mg cohort and one in the 75 mg cohort, completed their in-clinic observation period without any additional safety findings. All LTEs were transient and self-limiting and required no clinical intervention. While continuing to investigate

alternative formulations and dosing regimens as a potential path forward for chronic indications, the Company has launched an acute pain program for otenaproxesul.

Regulatory Considerations

In the United States, otenaproxesul will be regulated by FDA's Center for Drug Evaluation and Research. Antibe is pursuing U.S. marketing approval via an FDA new drug application ("NDA") enabling path. An NDA-enabling path is generally considered the gold standard path for drug development. The Company intends to work closely with the FDA and coordinate with the regulatory agencies of other large global markets to ensure that the development plan satisfies each of their respective requirements while minimizing redundancies.

ATB-352: Analgesic for Specialized Indication

ATB-352 is an H_2S-releasing derivative of ketoprofen, a potent NSAID commonly prescribed for acute pain. Preclinical studies have revealed a potential application in a specialized indication with high unmet need. The Company has filed a patent application related to this indication.

Antibe has confirmed the non-addictive properties of ATB-352. Preclinical studies have demonstrated that ATB-352 causes negligible GI damage compared to ketoprofen.[11] The Company has completed animal proof-of-concept studies with encouraging results and is pursuing additional such studies.

New Chemistry Initiatives

In calendar 2021, Antibe engaged a full-service contract research organization ("CRO"), Dalriada Drug Discovery, to undertake new chemistry initiatives to identify additional H_2S-releasing compounds that show promise in the treatment of acute pain, chronic pain and other inflammatory conditions. This project has been successfully completed, with results that include the IBD lead and backup candidates. Antibe retains ownership rights to any new IP filed as a result of this project.

The Company has selected lead and back up candidates for inflammatory bowel disease ("IBD") and is pursuing animal efficacy studies. Comprising treatments for Crohn's disease and ulcerative colitis, the IBD market is expected to nearly double between 2019 and 2029 to US$25 billion.[12] The Company's new IBD candidates are being designed to maintain the efficacy, safety and pharmacokinetics of ATB-429, a hydrogen sulfide-releasing IBD drug (acquired via the recent amalgamation with Holdings) that has extensive and promising animal data but diminishing patent life.

Commercial Strategy for Otenaproxesul

The global market for acute pain therapeutics is estimated to be more than US$25 billion, with opioids and NSAIDs accounting for the majority share.[13] In the U.S., there are 76 million surgical procedures annually[14] and more than two million Americans may become persistent opioid users each year.[15] The resurgent opioid crisis is pressuring prescribers, payors and policymakers to reduce the use of opioids across medical practice. In particular, the treatment of post-operative pain continues to rely on opioids, with little innovation in orally administered acute pain drugs, the only category of medications suitable for the transition to home recovery.

Antibe has completed a comprehensive third-party commercial assessment involving more than 60 U.S. clinicians and payors. This assessment reflects extensive primary and secondary research, including focus groups and an in-depth survey of medical specialists, involving orthopedic and general surgeons, anesthesiologists, internists, general practitioners and emergency physicians, all of whom treat acute pain on a daily basis. The assessment considered post-operative pain, acute musculoskeletal pain, dysmenorrhea, migraine and gout – the potential adoption of otenaproxesul for other acute pain indications (e.g., dental pain) was not investigated. Pricing and reimbursement, which drive a drug's adoption and ability to gain market share, were favourable, with minimal reimbursement hurdles

[11] Gemici et al., *Nitric Oxide* (2015).

[12] Global Data, 2020.

[13] GlobalData, Statista, DataBridge, DelveInsight, Allied Market Research, Biotech Advisors, Antibe internal estimates.

[14] Gan et al., *Journal of Pain Research* (2017).

[15] Brummett et al., *JAMA Surgery* (2017).

expected. For the U.S. market alone, the assessment projects peak annual sales exceeding US$1 billion.([16]) Consistent with industry practice, an adjustment factor was applied to build conservatism into the sales projections. Physician responses indicate strong adoption rates, exceeding 50% for post-operative pain where opioids are widely used and surpassing 30% in all cases. Interest in otenaproxesul was highest for doctors prescribing NSAIDs and opioids, with gastrointestinal safety the principal safety concern for those prescribing NSAIDs. The assessment was conducted by Shift Health, a leading life science strategy consultancy.

Antibe has also concluded a comprehensive strategic positioning assessment of otenaproxesul for acute pain in the U.S. market. The assessment identified a compelling commercial strategy and validated the drug's best-in-class positioning in a market with few novel therapies in development. In addition, new opportunities for competitive differentiation were identified and are being pursued. The assessment was conducted by a leading life science-focused marketing and commercialization agency.

Partnering

The Company has concluded four regional licensing deals to date. On February 9, 2021, the Company licensed otenaproxesul to Nuance Pharma Limited ("Nuance") for commercialization in the Greater China region. The license provides Nuance with exclusive rights to commercialize otenaproxesul in China, Hong Kong, Macau, and Taiwan. Under the terms of the agreement, Antibe is entitled to US$100 million in milestone payments, including US$20 million upfront and US$80 million in development and sales milestones, in addition to a double-digit royalty on sales. Clinical development and regulatory costs for the region will be borne by Nuance. (In May 2023, arbitration proceedings were held with Nuance. Please see "Legal Proceedings" for further information.)

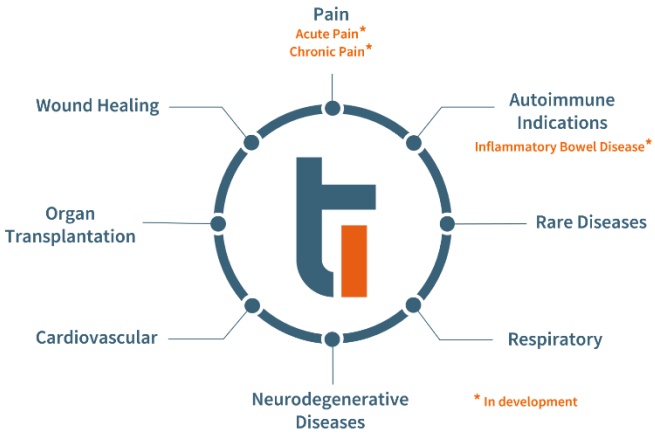
On September 5, 2018, Antibe entered into an exclusive licensing agreement with Kwang Dong Pharmaceutical Co., Ltd. ("Kwang Dong") for the development and commercialization of otenaproxesul in South Korea. Kwang Dong is a leading pharmaceutical company in South Korea, with net sales in excess of US$600 million and over 500 sales representatives. Under the terms of the agreement, Antibe is entitled to receive US$10 million in non-dilutive development and commercial milestone payments, including an upfront payment of US$1 million, and a royalty on net sales in the region.

On February 24, 2017, Antibe entered into an exclusive long-term license and distribution agreement (the "License Agreement") with Laboratoires Acbel SA ("Acbel") for otenaproxesul in Albania, Algeria, Bulgaria, Greece, Jordan, Romania and Serbia (the "Territory"). Acbel is a pharmaceutical company with a strong sales and distribution presence in the Balkan region. Acbel, through its affiliates and partners, is the largest seller of naproxen in this region, which represents approximately 1% of the global market for NSAIDs. Under the terms of the license agreement, Antibe received an upfront, non-dilutive payment of $1.1 million (€800,000) and is entitled to receive a 5% royalty on net sales of otenaproxesul in the Territory.

In addition, Antibe is also party to a license agreement with Knight Therapeutics Inc. ("Knight"), which was entered into in conjunction with Knight's investment in Antibe by way of convertible debenture in November 2015. Knight was granted commercial rights for Antibe's drug candidates and other future prescription drugs in Canada, Israel, Russia and sub-Saharan Africa. Antibe is entitled to royalties from Knight on annual sales, along with the potential for $10 million in payments for sales-based milestones.

[16] The U.S. accounts for 47% of the global pharmaceutical market (IQVIA, 2021).

Pipeline Expansion Opportunities



Antibe has built a development platform that exploits the therapeutic potential of hydrogen sulfide ("H_2S") in the treatment of inflammation. Leveraging the unique properties of H_2S by molecularly attaching a moiety that releases H_2S to a known, off-patent base drug can result in a potential new drug that may have a significantly improved drug profile compared with the base drug. Ideal candidates to investigate as possible base drugs are expected to have the following characteristics:

- they can be distributed in large, growing markets;
- they are going or have gone off patent; and
- they exhibit weaknesses, such as low efficacy or certain toxicities, which could be significantly improved by the properties of H_2S.

Summary of Development Pipeline

The Company has determined that a number of targets meet these characteristics. It currently has two drugs in its pipeline (otenaproxesul and ATB-352) and additional candidates that are in process or have completed medicinal chemistry. Compared with de novo development, improving an existing base drug as described above may shorten the development period and time to market, and reduce development risk and cost. The improved drug also benefits from physician, regulatory and sales force familiarity with the base drug. Importantly, since Antibe creates new chemical entities, the improved drugs obtain new composition of matter patent protection.

Antibe is pursuing blockbuster drug opportunities in the areas of pain and inflammation with a pipeline of novel drug candidates that leverage its hydrogen sulfide-releasing technology.

Candidate	Target Indication	Markets/Segments	Est. Market Size	Development Status
Otenaproxesul (formerly ATB-346)	Acute & chronic pain	Post-operative pain, acute musculoskeletal pain, dysmenorrhea, migraine, gout and dental pain; chronic pain	US$25+ billion[17]	Entering Phase II program in calendar Q1 2024
ATB-352	Specialized pain indication	Not disclosed	Not disclosed	Preclinical studies
Discovery program	Inflammatory Bowel Disease	Ulcerative colitis, Crohn's disease	US$16 billion[18]	Animal efficacy studies

Corporate Strategy

The Company's overall strategy is to monetize its pipeline at the optimal time through partnering or M&A activity. In parallel, the Company will continue to advance candidates to maximize both value and negotiating leverage with strategic partners.

[17] GlobalData, Statista, DataBridge, DelveInsight, Allied Market Research, Biotech Advisors, Antibe internal estimates.
[18] Global Data, 2020.

Pursue a Broad Label for Otenaproxesul to Address Overall Acute Pain Market

Otenaproxesul's clinical development plan is designed to enable the Company to pursue regulatory approval for broad acute pain indication. Antibe is using the post-operative pain development path as a springboard to the much larger overall acute pain opportunity, including acute musculoskeletal pain, dysmenorrhea, migraine, gout and dental pain, all large segments with few safe and effective therapies. The Company continues to investigate alternative formulations and dosing regimens as a potential path forward for chronic indications.

Leverage Development Platform to Expand Pipeline

Antibe has built a development platform that exploits the therapeutic potential of hydrogen sulfide in the treatment of inflammation. In calendar June 2021, the Company entered into a strategic collaboration with Dalriada Drug Discovery to accelerate the identification of new drug candidates (including for its IBD program) and to fortify the IP position of its pipeline drugs.

Opportunistically Pursue Strategic Partnerships

Antibe will opportunistically pursue strategic partnerships to unlock and maximize value of its pipeline, with more activity expected as the otenaproxesul approaches human proof-of-concept for acute pain indications. The Company plans to initiate a partner targeting study to support strategic outreach as the drug's therapeutic and commercial potential is fully validated.

Leverage Human and Financial Resources

The Company's HR strategy is to recruit and leverage a small senior team of highly experienced executives, supported by contract research organizations ("CROs") and specialized regulatory and technical consultants. This approach delivers efficient and agile decision-making and strategy execution in all aspects of the business. The Company will continue to take a disciplined approach to spending to focus its resources on developing otenaproxesul while advancing multiple earlier-stage programs in parallel.

Intellectual Property

Patents

The Company was incorporated as a wholly owned subsidiary of Antibe Holdings with an exclusive IP license from Holdings to develop and commercialize the Company's pipeline drugs. The license obligated the Company to pay royalties to Holdings on future revenues derived from this IP. On June 3, 2021, the Company completed a transaction with Holdings by way of a three-corner amalgamation. Pursuant to the transaction, the Company acquired full ownership of Holdings' patent portfolio, eliminating the royalty liability on future revenues. In consideration, Antibe issued an aggregate of 5,873,092 common shares in the capital of the Company to acquire all of the issued and outstanding shares of Holdings.

The Company maintains a vigorous intellectual property prosecution and protection program. Patents are filed in key global markets, including the BRIC countries. Detailed and specific patents are filed by creating individual molecules and generating molecule-specific data. The NSAID program has successfully undergone extensive IP due diligence in Canada, the United States and Europe with respect to both validity and freedom to operate, and the patents have already issued in most major markets, including Canada, the United States and Europe. Specifically, the Company holds a patent in "Hydrogen sulfide releasing derivatives of nonsteroidal anti-inflammatory drugs" that is valid in: Australia, Brazil, Canada, China, the EU, Great Britain, Japan, Hong Kong, Israel, Mexico, Norway, Russia, South Africa, Singapore, South Korea, Turkey, and the United States, with an expiration date for all jurisdictions of July 18, 2027. Patent approval is pending in India.

The Company has filed two new patent applications covering uses of otenaproxesul for treatment of acute pain and for a specialized pain indication for ATB-352, offering the potential for IP protection to extend to the 2043 for both drugs. In October 2022, the Company filed a patent application for otenaproxesul's new formulation, strengthening the drug's IP protection to 2043.

Trademarks

The Company has filed trademark applications in all major markets for two proprietary brand names, with registration completed for Australia, Canada, China, the EU, Japan, Russia and the UK.

Operations

Manufacturing, Supply & Production

Antibe does not own or operate manufacturing facilities for the production of its products. The Company currently relies on its supply partners for all of its required raw materials, active ingredients and finished products.

Development and commercial quantities of any products that the company develops and/or markets will need to be manufactured in facilities, and by processes, that comply with the requirements of Health Canada, the U.S. FDA and in other jurisdictions in which the Company is seeking marketing approval. Antibe employs internal resources to manage its suppliers and plays an active role in working with suppliers to maintain the quality of the products that the Company expects to supply to its distribution partners. The manufacturers of Antibe's products have advised that they are compliant with both current Good Laboratory Practices ("cGLP") and Good Manufacturing Practices ("cGMP").

The Company and its suppliers are, and will be, subject to extensive governmental regulation in connection with the manufacture of any pharmaceutical products or medical devices. Antibe and its suppliers must ensure that all of the processes, methods and equipment are compliant with cGMP and cGLP for drugs and medical devices on an ongoing basis, as mandated by the U.S. FDA and foreign regulatory authorities. (Please see "Risk Factors" for further detail.)

Specialized Skill and Knowledge

The Company has extensive knowledge in scientific research, clinical development and commercialization of drugs and therapies in the areas of pain, inflammation and regenerative medicine. By enlisting the support of experienced clinical trial, regulatory and legal consultants, the Company is able to use expert knowledge to assist in the successful development of its products and the protection of its intellectual property. Antibe continually evaluates its internal resources and may add talented senior professionals to its team as needed to support growth.

Employees

At March 31, 2023, the Company had 11 employees. The Company also uses senior consultants, hired on a contract basis and outsources its clinical development programs to various Contract Research Organizations ("CROs"), as needed. The Company has never experienced any employment-related work stoppages and believes its relationships with its employees are good.

Facilities

Antibe's corporate headquarters are located in Toronto, Ontario. The Company renewed its twelve-month lease for the use of its 15 Prince Arthur Ave. office space effective September 6, 2019 and continues to renew it on an ongoing basis. The lease carries a six-month notice period.

Environmental, Health & Safety Matters

Currently, the Company does not manufacture any of its products. However, the operations of its subcontractors and suppliers are subject to various laws and regulations relating to environmental, health and safety matters, and their failure to comply with such laws and regulations could have a material adverse effect on its business and reputation, result in an interruption or delay in the development or manufacture of its products and development candidates, or increase the costs for the development or manufacture of its products and development candidates.

Liquidity and Capital Resources

The Company is a drug development company as well as a regenerative medicine marketer and seller of products and will continue to operate at a loss for the foreseeable future. The Company is dependent on continued access to capital markets to acquire the resources it needs to achieve its business objectives.

The Company's future capital requirements will depend on many factors including, without limitation, the scope of the Company's research and development efforts, the results of the studies that comprise those efforts, the Company's ability to successfully manage its development partners and the Company's ability to grow its regenerative medicine business. If the development of otenaproxesul proceeds as planned, and the scientific results of the planned development work are positive, the Company expects to be in a strong position to attract new investment and/or obtain additional financing at attractive rates. However, financial market and other conditions may result in the Company not being able to secure the additional financing needed to complete the development of any of its assets on terms acceptable to the Company, or at all.

As at March 31, 2023, the Company had cash and term deposits totalling $38.9 million and working capital of $38.8 million.

RISK FACTORS

Any investment in the Company involves a number of risks. In addition to the information contained elsewhere in this AIF and in the referenced 2023 audited consolidated financial statements and related notes, investors and prospective investors should give careful consideration to the following risk factors. These are not the only risks and uncertainties that the Company faces. If any of the following events described as risks or uncertainties actually occurs or others occur, the Company's business, prospects, financial condition and operating results would likely suffer, possibly materially. In that event, the market price of the Common Shares could decline and investors could lose part or all of their investments. Additional risks and uncertainties presently unknown to the Company, or that the Company believes not to be material at this time, may also impair or have a material adverse effect on the Company's operations.

Start-up and Basis of Presentation

The Company's pharmaceutical development operations currently consist of preparing for Phase II clinical trials of otenaproxesul. Additionally, the Company conducts pre-clinical research on other of its assets in order to assess them as potential future pre-clinical and clinical development candidates. Almost all research and development, administration and capital expenditures incurred by the Company since the commencement of operations are associated with the development described above.

The Company is subject to a number of risks and material uncertainties associated with the successful development and acquisition of new products and their marketing, the conduct of its clinical studies and their results and the establishment of strategic alliances as needed. The Company will have to acquire the financing needed to conduct its research and development operations. To achieve the objectives of its business plan, the Company plans to raise capital and enter into development partnerships as needed. The products developed by the Company will require approval from regulatory bodies including the U.S. FDA, Health Canada, and similar organizations in other countries before their sale can be authorized.

Risks Related to the Company's Business

Ability to Continue as a Going Concern

The audited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As at March 31, 2023, the Company had working capital of $38,782 (2022 – $56,670), incurred a net comprehensive loss for the year then ended of $19,402 (2022 – $25,060), had negative cash flows from operations of $16,149 (2022 – $16,920) and an accumulated deficit of $130,418(2022 – $111,016).

Until such time as the Company's pharmaceutical products are patented and approved for sale, the Company's liquidity requirements are dependent on its ability to raise additional capital by selling additional equity, from proceeds from the exercise of stock options and common share warrants or by obtaining credit facilities. The Company's future capital requirements will depend on many factors, including, but not limited to, the market acceptance of its products and services. No assurance can be given that any such additional funding will be available or that, if available, it can be obtained on terms favourable to the Company.

All of the factors above indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, which assumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. Management's plans to address these issues involve actively seeking capital investment and generating revenue and profit from the commercialization of its products. The Company's ability to continue as a going concern is subject to management's ability to successfully implement this plan. Failure to implement this plan could have a material adverse effect on the Company's financial condition and financial performance.

If the going concern assumption were not appropriate for the audited consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported revenue and expenses, and the classifications used in the consolidated statements of financial position. The audited consolidated financial statements do not include adjustments that would be necessary if the going concern assumption were not appropriate.

Lack of Supporting Clinical Data

The clinical effectiveness and safety of any of the Company's developmental products is not yet supported by clinical data and the medical community has not yet developed a large body of peer reviewed literature that supports the safety and efficacy of the Company's products. If future studies call into question the safety or efficacy of the Company's products, the Company's business, financial condition, and results of operations could be adversely affected.

Research and Development Risk

A principal component of the Company's business strategy is to expand its product offering to fully exploit its core science and related technologies. As such, the Company's organic growth and long-term success is dependent in part on its ability to successfully develop new and current products and it will likely incur significant research and development expenditures to do so. The Company cannot be certain that any investment in research and development will yield feasible or commercially viable products. Furthermore, its ability to discover and develop products will depend on its ability to:

- retain key scientists and executives as employees or partners;
- identify high quality therapeutic targets and unmet medical needs;
- identify potential drug candidates;
- develop products internally and assist its partners with development;
- successfully complete laboratory testing and clinical trials on humans;
- manufacture drug candidates and products that meet regulatory and industry standards;
- obtain and maintain necessary intellectual property rights to the Company's products;
- obtain and maintain necessary U.S. and other regulatory approvals for its products;
- collaborate with third parties to assist in the development of its products; and
- enter into arrangements with third parties to co-develop, license, and commercialize its products.

The Company may not be successful in discovering and developing drug products. Failure to introduce and advance new and current products could materially and adversely affect the Company's operations and financial condition.

Clinical Development Risks

The Company must demonstrate the safety and efficacy of otenaproxesul (and potentially other products it develops) through, among other things, extensive clinical testing. The Company's drug research and development programs are at an early stage of development. Numerous unforeseen events during, or as a result of, the testing process could delay or prevent commercialization of any products the Company develops, including the following:

- the results of clinical studies may be inconclusive, may demonstrate potentially unsafe drug characteristics, or may not be indicative of results that will be obtained in later human clinical trials;

- the safety and efficacy results attained in the early clinical studies may not be indicative of results that are obtained in later clinical trials; and

- after reviewing clinical study results, the Company or its partners or collaborators may abandon projects that were previously thought to be promising.

Clinical studies are very expensive, can run into unexpected difficulties and the outcomes are uncertain. The data collected from studies the Company conducts may not be sufficient to support the regulatory approval of additional human testing of such product(s). Clinical studies of the Company's products may not be completed on schedule or on budget. The Company's failure to complete any of its clinical studies on schedule or on budget, or its failure to adequately demonstrate the safety and efficacy of any of the products it develops, could delay or prevent regulatory approval of such products, which could adversely affect the Company's business, financial condition and results of operations.

Negative Cash Flow from Operating Activities

The Company reported negative cash flow from operating activities for the year ended March 31, 2023, and expects to experience negative operating cash flows for the foreseeable future. Until such time as the Company's drug products are approved for sale, the Company's working capital requirements are dependent on the Company's ability to raise capital by selling additional equity or from proceeds from the exercise of stock options and Common Share purchase warrants, by obtaining business development revenue (milestone payments for licensing agreements), or by obtaining credit facilities. No assurance can be given that any such additional funding or revenue will be available or that, if additional funding is available, it can be obtained on terms favourable to the Company.

Operational Risk

In the normal course of business, the Company's operations continue to be influenced by a number of internal and external factors and are exposed to risks and uncertainties that can affect its business, financial condition and operating results. The Company's activities are subject to ongoing operational risks, including the performance of key suppliers, product performance, and government and other industry regulations, all of which may affect its ability to meet its obligations. In addition, and although the Company believes it has prudently adopted conservative assumptions in its business planning and related cost estimations, no assurances can be given that such assumptions will prove to be accurate.

Reliance on Partners and Suppliers

Antibe works with a number of third parties to develop its products (and finance such development) and expects its reliance on third party partnerships and suppliers to increase in the future. If the Company's current or future strategic partners and suppliers do not devote adequate resources to product development, or if they experience financial difficulties, change their business strategy, decide to not pursue commercialization of our drug, have their licensing rights terminated by court or arbitrator, or undergo a business combination that affects their willingness or ability to fulfill their obligations to the Company, the result could be a material adverse effect on the Company's financial condition, results of operations and/or cash flow. Furthermore, if the Company is unable to enter into additional partnerships and supplier relationships in the future, or if the current or future partnerships and supplier relationships fail, the Company's ability to develop and sell products could be impacted negatively and the Company's business could be adversely affected. There can be no assurances that the Company will be able to establish these future strategic relationships, or, if established, that the relationships will be maintained.

Disruptions in Production

Factors that could affect the production and sale of the Company's products which could result in decreases in profitability include: (a) Acts of God; (b) the expiration or termination of leases, contracts, permits or licenses; (c) sales price redeterminations; (d) future litigation; (e) work stoppages or other labour difficulties; (f) disputes with suppliers, distributors and subcontractors; (g) political risk with offshore suppliers; (h) reliance on suppliers with highly technical and not easily replaceable expertise; and (i) changes in the market and general economic conditions.

Weather conditions, equipment replacement or repair and fires can have a significant impact on operating results.

Fluctuations in Exchange Rates

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and the United States. The Company's costs are primarily in Canadian and U.S. dollars. The Company has not hedged its exposure to currency fluctuation.

Income Taxes

Income taxes are accrued based on current taxes expected to be paid or recovered for the period, and deferred taxes applicable in respect of the temporary differences that will reverse in subsequent periods. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates.

Estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income before they expire. The Company's assessment is based upon existing tax laws and estimates of future taxable income. If the assessment of the Company's ability to utilize the underlying future tax deductions changes, the Company would be required to recognize more or fewer of the tax deductions as assets, which would decrease or increase the income tax expense in the period in which this is determined.

Significant judgment is required in determining the global provision for taxation. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. The Company maintains provisions for uncertain tax positions that it believes appropriately reflect its risk with respect to tax matters under active discussion, audit, dispute or appeal with tax authorities, or which are otherwise considered to involve uncertainty. These provisions for uncertain tax positions are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at each balance sheet date. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Worsened General Economic Conditions

The decline in the global economic environment in recent years and the continuing economic instability in certain parts of the world resulted in increasing uncertainty regarding future revenue and third party commitments, both in terms of timing and magnitude. If the global economic climate does not recover, the Company may not generate the commercial activity required to support its operations resulting in requirement for additional restructurings and erosion of its existing capital resources which may hinder the future viability of the Company.

Acquisitions

The Company in the future may acquire businesses, products or technologies that it believes complement or expand its existing business. Acquisitions of this type involve a number of risks, including the possibility that the operations of the acquired business will not be profitable or that the attention of the Company's management will be diverted from the day-to-day operation of its business. An unsuccessful acquisition could reduce the Company's margins or otherwise harm its financial condition.

Product Liability and Medical Malpractice Claims

The Company may be exposed to risks associated with product liability claims if the use of the Company's products results in injury or property damage. In addition, medical malpractice claims may be brought against the Company. The Company carries what it believes to be adequate product liability insurance as well as clinical studies insurance, but the Company may not have adequate resources to satisfy a judgment if a successful claim is brought. The assertion of product liability or medical malpractice claims may also significantly damage the Company's reputation.

Management of Growth

The Company's future results of operations will depend in part on the ability of its officers and other key employees to implement and expand operational, customer support and financial control systems and to expand, train and manage its employee base. The Company's future performance will also depend to a significant extent on its ability to identify, attract, train and retain highly skilled sales, technical, marketing and management personnel.

Dependence on Key Personnel

Antibe's success is dependent on certain key management personnel, primarily its scientists and executives, who are key to the existence and continuity of the Company. Furthermore, competition for qualified employees among biotechnology industry companies is intense, and the loss of key personnel or inability to attract and retain additional highly skilled employees required for the expansion of activities could adversely affect Antibe's business. There can be no assurance that these persons will remain available to Antibe, forcing Antibe to attract and retain additional qualified employees and key executives for the achievement of Antibe's business goals.

Protection of Intellectual Property

The Company's success depends in part on its ability to maintain or obtain and enforce patent and other intellectual property ("IP") protections for its processes and technologies and to operate without infringing upon the proprietary rights of third parties or having third parties circumvent the rights that the Company owns or licenses. The Company has applications and registrations in the United States, Canada, and other jurisdictions, and has received some patents and expects others, and may, in the future, seek additional patents and registrations or file patent applications and registrations.

Patents may provide some degree of protection for intellectual property; however, patent protection involves complex legal and factual determinations and is therefore uncertain. The Company cannot be assured that its patents or patent applications will be valid or will issue over prior art, or that patents will issue from the patent applications it has filed or will file. Additionally, the Company cannot be assured that the scope of any claims granted in any patent will be commercially useful or will provide adequate protection for the technology used currently or in the future. The Company cannot be certain that the creators of its technology were the first inventors of inventions and processes covered by its patents and patent applications or that they were the first to file. Accordingly, it cannot be assured that its patents will be valid or will afford protection against competitors with similar technology or processes. Despite its efforts to protect its proprietary rights, unauthorized parties may attempt to copy or otherwise obtain and use its proprietary information. Monitoring unauthorized use of confidential information is difficult and the Company cannot be certain that the steps taken to prevent unauthorized use of confidential information will be effective. In addition, the laws governing patent protection continue to evolve and are different from one country to the next, all of which causes further uncertainty in the usefulness of a patent. In addition, issued patents or patents licensed to the Company may be successfully challenged, invalidated, circumvented or may be unenforceable so that the Company's patent rights would not create an effective competitive barrier.

Moreover, the laws of some countries may not protect the Company's proprietary rights to the same extent as do the laws of the United States and Canada. There are also countries in which the Company intends to sell its products, but has no patents or pending patent applications, or trademark registrations. The Company's ability to prevent others from making or selling duplicate or similar technologies will be impaired in those countries in which there is weaker or no intellectual property protection. If the Company is not able to adequately protect its intellectual property and proprietary technology, its competitive position, future business prospects and financial performance will be adversely affected.

Unpatented trade secrets, technological innovation and confidential know-how are also important to the Company's success. Although protection is sought for proprietary information through confidentiality agreements and other appropriate means, these measures may not effectively prevent disclosure of proprietary information, and, in any event, it cannot be assured that others will not independently develop the same or similar information or gain access to the same or similar information. In view of these factors, the Company's intellectual property positions have a degree of uncertainty.

Setbacks in these areas could negatively affect the Company's ability to compete and materially and adversely affect its business, financial condition and results of operations.

Inability to Implement the Business Strategy

The growth and expansion of the Company's business is heavily dependent upon the successful implementation of the Company's business strategy. There can be no assurance that Antibe will be successful in the implementation of its business strategy.

Large Accumulated Deficit

Antibe has a large accumulated deficit, expects future losses, and may never achieve or maintain profitability. It has incurred substantial losses since inception and expects to incur additional operating losses in the future as a result of research and development costs and ongoing operating costs including the additional costs of operating as a public company. The extent of the Company's future losses is highly uncertain, and its prospects must be considered in light of the risks and uncertainties encountered by a company in the early stage of product development in the continuously evolving human pharmaceutical market, including the risks described throughout this AIF. If the Company cannot successfully address these risks, its business and financial condition will suffer.

Competitive Market for Antibe's Products

The pharmaceutical and biotechnology industries are highly competitive. Overall, most of Antibe's competitors in the pharmaceutical and biotechnology industries are larger and have greater financial and other resources, which enable them to invest significant amounts of capital and other resources in their businesses, including expenditures for research and development and sales and marketing. If one of Antibe's current or future competitors develops innovative proprietary products, some or all of Antibe's products could be rendered obsolete.

Intellectual Property Litigation

Patents issued or licensed to the Company and trademarks registered or licensed to the Company may be infringed upon by the products or processes of others. The cost of enforcing intellectual property rights against infringers, if such enforcement is required, could be significant, and the time demands could interfere with normal operations. There has been substantial litigation and other proceedings regarding patent and other intellectual property rights in the pharmaceutical industry. Antibe may become a party to intellectual property litigation and other proceedings. The cost of any intellectual property litigation, even if resolved in the Company's favour, could be substantial. Some of the Company's competitors may be able to sustain the costs of such litigation more effectively than the Company can because of their substantially greater financial resources. Litigation may also absorb significant time and could divert management's attention from Antibe's core business. Litigation also puts the Company's intellectual property at risk of being invalidated or interpreted narrowly, and puts patent applications at risk of not being issued.

Additionally, it is possible that patents issued or licensed to Antibe may be challenged successfully by third parties in patent litigation. Patent applications which relate to or affect the business may have been filed by others and may conflict with the Company's technologies or patent applications; this could reduce the scope of patent protection which could otherwise be obtained or even lead to refusal of patent applications. It is also possible for others, on an independent basis, to develop products which have the same effect as the Company's products or to design around the technology protected by the Company's patents. In any event, if the Company is unable to secure or to continue to maintain a preferred position, its products could become subject to competition from the sale of generic or equivalent products. Antibe could also become involved in interference proceedings in connection with one or more of its patents or patent applications to determine priority of invention.

Antibe cannot be certain that it is the creator of inventions covered by pending patent applications or that it was the first to file patent applications for any such inventions. It cannot be assured that the Company's patents, once issued, would be declared by a court to be valid or enforceable, or that a competitor's technology or product would be found to infringe upon the Company's products. In the event that a court were to find that the Company was infringing upon a valid patent of a third party, it could be required to pay a substantial damage award, develop non-infringing technology, enter into royalty-bearing licensing agreements or stop selling its products. It cannot be assured that the Company could enter into licensing arrangements at a reasonable cost, or at all. Any inability to secure licenses could result in delays in the introduction of some of the Company's products or even lead to prohibition of the development, manufacture or sale of certain of its products.

Although no claims against the Company are, to its knowledge, currently pending, it may be subject to claims. Litigation may be necessary to defend against these claims. Even if the Company is successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

Non-IP Litigation

Any unfavourable court or arbitration judgment or other cases could affect Antibe's cash flow. One of the Company's license partners, Nuance Pharma Limited, has commenced arbitration proceedings related to their license agreement. (Please see "Legal Proceedings" for further detail.) As of the date hereof, the Company has no other legal matters pending.

The Company's Licensees may not Perform or may Terminate the Licenses

The Company is party to license agreements for certain of its drug candidates with various counterparties for various geographical jurisdictions. And the Company may enter into additional license agreements in the future, including with smaller or medium-sized pharmaceutical companies in regions that represent smaller market opportunities (i.e., outside of the United States and Western Europe). Licensees generally have the right to terminate license agreements and/or may not perform as expected or in accordance with the terms and conditions of a license agreement. The actions or inactions of licensees relating to the Company's licenses or otherwise could negatively impact the Company's products, reputation and results of operations. In addition, disputes may arise between the Company and its licensees that may result in the delay or termination of the research, development or commercialization of drug candidates, as applicable, or that result in costly litigation. While the Company intends to be selective in choosing financially strong and experienced licensees, it will have little or no ability to control the business practices or other actions of its licensees beyond specific matters relating to license set forth in each license agreement.

Regulatory Risk

Antibe will require approval from the U.S. FDA and Health Canada to conduct future human clinical studies in the U.S. and Canada respectively, and will require approval from these regulatory agencies and equivalent organizations in other countries before any of its products can be marketed. There is no assurance that such approvals will be forthcoming. Furthermore, the exact nature of the studies these regulatory agencies will require is not known and can be changed at any time by the regulatory agencies, increasing the financing risk and potentially increasing the time to market the Company faces, which could adversely affect the Company's business, financial condition or results of operations.

Regulatory Compliance

In both domestic and foreign markets, the development, formulation, manufacturing, packaging, labeling, handling, distribution, import, export, licensing, sale and storage of pharmaceuticals are affected by a body of laws, governmental regulations, administrative determinations, including those by U.S. FDA and Health Canada, court decisions and similar constraints. Such laws, regulations and other constraints can exist at the federal, provincial or local levels in Canada and at all levels of government in foreign jurisdictions. There can be no assurance that Antibe and Antibe's partners are in compliance with all of these laws, regulations and other constraints. Antibe and its partners may be required to incur significant costs to comply with such laws and regulations in the future, and such laws and regulations may have an adverse effect on the business. The failure of the Company or its partners to comply with current or future regulatory requirements could lead to the imposition of significant penalties or claims and may have a material adverse effect on the business. In addition, the adoption of new laws, regulations or other constraints or changes in the interpretations of such requirements might result in significant compliance costs or lead Antibe and its partners to discontinue product development and could have an adverse effect on the business.

International Operations

Antibe's international operations expose it and its representatives and agents to risks inherent to operating in foreign jurisdictions that could materially adversely affect its operations and financial position. These risks include:

- Country specific taxation policies;
- Imposition of additional foreign governmental controls or regulations;
- Export license requirements; and

- Changes in tariffs and other trade restrictions.

Moreover, applicable agreements relating to business in foreign jurisdictions are governed by foreign laws and are subject to dispute resolution in the courts of, or through arbitration proceedings in, the country or region in which the parties are located or another jurisdiction agreed upon by the parties. Antibe cannot accurately predict whether such jurisdictions will provide an effective and efficient means of resolving disputes that may arise. Even if it obtains a satisfactory decision through arbitration or a court proceeding, Antibe could have difficulty in enforcing any award or judgment on a timely basis or at all.

Reliance on Information Technology

Despite the implementation of security measures, the Company's internal computer systems, and those of third parties on which the Company relies, are vulnerable to damage from computer viruses and unauthorized access, malware, natural disasters, fire, terrorism, war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the internet, attachments to emails, or persons inside the Company. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Should a material system failure or security breach occur and cause interruptions in Antibe's operations, it could result in a material disruption of the Company's development programs and business operations. For example, the loss of clinical trial data from ongoing, completed or future clinical trials could result in delays in regulatory approval efforts and significantly increase costs to recover or reproduce the data. Likewise, the Company relies on third parties for a range of services and products including the manufacture of product candidates and conduct of studies and trials; similar events relating to third parties' computer systems could also have a material adverse effect on the Company's business. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, Antibe could incur liability and the further development and commercialization of product candidates could be delayed.

Financial Instruments

The Company is exposed to a variety of financial risks by virtue of its activities: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance.

Risk management is carried out by the officers of the Company as discussed with the Board of Directors. The officers of the Company are charged with the responsibility of establishing controls and procedures to ensure that financial risks are mitigated in accordance with the expectation of the Board of Directors as follows:

Credit risk

The Company's credit risk is primarily attributable to receivables and the excess of cash held in one financial institution in excess of the amount covered by the deposit insurance by Canadian Deposit Insurance Corporation.

Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due or can do so only at excessive cost. The Company manages its liquidity risk by forecasting cash flows and anticipated investing and financing activities. Officers of the Company are actively involved in the review and approval of planned expenditures, including actively seeking capital investment and pursuing the commercialization of its products.

As of March 31, 2023, the Company's financial obligations, including applicable interest, are due as follows:

	Less than 1	1–2	After 2	Total
	$	$	$	$
Accounts payable and accrued liabilities	2,764	-	-	2,764

Foreign currency risk

The functional and reporting currency of the Company is the Canadian dollar. The Company undertakes transactions denominated in foreign currencies, including U.S. dollars, and, as such, is exposed to currency risk due to fluctuations in foreign exchange rates against the Canadian dollar. The Company does not use derivative instruments to reduce exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and financial liabilities with variable interest rates expose the Company to cash flow interest rate risk.

COVID-19 Pandemic

The COVID-19 pandemic did impact the Company's business to some extent. The Company's Phase IIB dose ranging, efficacy trial in 2020 took an additional six weeks to complete due to factors such as the COVID-19 related closure of medical clinics, doctors becoming ill from COVID-19, and staff working from home, all of which slowed the collation of the trial data. COVID-19 could further impact the Company's expected timelines, operations and the operations of its third-party suppliers, manufacturers, and contract research organizations as a result of quarantines, facility closures, travel and logistics restrictions and other limitations in connection with the outbreak. The most significant risk posed by the COVID-19 pandemic is that it could also significantly impact the progress and completion of animal and clinical studies.

Whatever further impact, if any, the COVID-19 pandemic may have on the Company is unpredictable. The future extent of future COVID-19 outbreaks is uncertain and, therefore, it is not possible to estimate its impact on the Company's business, operations or financial results; however, the impact could be material.

If the Company's quarterly operating results fall below the expectations of investors or securities analysts, the market price of the Common Shares could decline substantially. Furthermore, any quarterly fluctuations in the Company's operating results may, in turn, cause the market price of the Common Shares to fluctuate substantially. The Company believes that quarterly comparisons of the Company's financial results are not necessarily meaningful and should not be relied upon as an indication of its future performance.

Disclosure Controls and Procedures

The Company's management is responsible for establishing and maintaining disclosure controls and procedures, as defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109") and have designed such disclosure controls and procedures to provide reasonable assurance that material information with respect to the Company is made known to them and information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

The Company's management is responsible for establishing and maintaining internal controls over financial reporting ("ICFR"), as defined in NI 52-109 and have designed such ICFR to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with IFRS.

There have been no changes in the Company's ICFR during the 12 months ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Risks Related to Financing

Active Liquid Market for Common Shares

There may not be an active, liquid market for the Common Shares. There is no guarantee that an active trading market for the Common Shares will be maintained on the TSX. Investors may not be able to sell their Common Shares quickly or at the latest market price if trading in the Common Shares is not active.

Forward-Looking Information May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements and forward-looking information. By its nature, forward-looking statements and forward-looking information involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements and forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this Prospectus under the heading "Forward-Looking Information".

Dilution to Existing Shareholders, Restrictions on Operations and Relinquishment Rights to Technologies or Product Candidates

The Company may seek additional capital through a combination of public and private equity offerings, debt financings, strategic partnerships and alliances and licensing arrangements. To the extent that the Company raises additional capital through the sale of equity or convertible debt securities, the ownership interests of the Company's shareholders will be diluted, and the terms may include liquidation or other preferences that adversely affect the rights of the Company's shareholders. The incurrence of indebtedness would result in increased fixed payment obligations and could involve certain restrictive covenants, such as limitations on the Company's ability to incur additional debt, limitations on the Company's ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact the Company's ability to conduct its business. If the Company raises additional funds through strategic partnerships and alliances and licensing arrangements with third parties, the Company may have to relinquish valuable rights to its technologies or product candidates, or grant licenses on terms unfavourable to the Company.

Price of the Company's Common Shares May Fluctuate

Market prices for securities in general, and that of pharmaceutical companies in particular, tend to fluctuate. Factors such as the announcement to the public or in various scientific or industry forums of technological innovations; new commercial products; patents, exclusive rights obtained by the Company or others; disputes or other developments relating to proprietary rights, including patents and data exclusivity, litigation matters and the Company's ability to obtain patent protection and data exclusivity for the Company's technologies; the commencement, enrollment or results of future clinical trials the Company may conduct, or changes in the development status of the Company's product candidates; results or delays of non-clinical and clinical studies by the Company or others; any delay in the Company's regulatory filings for its product candidates and any adverse development or perceived adverse development with respect to the applicable regulatory authority's review of such filings; a change of regulations; additions or departures of key scientific or management personnel; overall performance of the equity markets; general political and economic conditions; publications; failure to meet the estimates and projections of the investment community or that the Company may otherwise provide to the public; research reports or positive or negative recommendations or withdrawal of research coverage by securities analysts; actual or anticipated variations in quarterly operating results; announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by the Company or its competitors; public concerns over the risks of pharmaceutical products and dietary supplements; unanticipated serious safety concerns; future sales of securities by the Company or its shareholders; and many other factors, many of which are beyond the Company's control, could have considerable effects on the price of the Company's securities. There can be no assurance that the market price of the Common Shares will not experience significant fluctuations in the future. As a result of any of these factors, the market price

of the securities of the Company at any given point in time may not accurately reflect the value of the Company or its securities.

In addition, the stock market in general, and pharmaceutical companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of the Company's Common Shares, regardless of the Company's actual operating performance. In the past, securities class action litigation has often been instituted against companies following periods of volatility in the market price of a company's securities. This type of litigation, if instituted, could result in substantial costs and a diversion of management's attention and resources, which would harm the Company's business, operating results or financial condition.

Decline of Market Price of the Common Shares

The Company's net losses and expenses may fluctuate significantly and any failure to meet financial expectations may disappoint securities analysts or investors and result in a decline in the price of the Company's Common Shares. The Company's net losses and expenses have fluctuated in the past and are likely to do so in the future. These fluctuations could cause the market price of the Common Shares to decline. Some of the factors that could cause the Company's net losses and expenses to fluctuate include the following:

- results of non-clinical studies and clinical trials, or the addition or termination of non-clinical studies, clinical trials or funding support;
- the timing of the release of results from any non-clinical studies and clinical trials;
- the inability to complete product development in a timely manner that results in a failure or delay in receiving the required regulatory approvals or allowances to commercialize product candidates;
- the timing of regulatory submissions and approvals;
- the timing and willingness of any current or future collaborators to invest the resources necessary to commercialize the Company's products;
- the outcome of any litigation or arbitral proceedings;
- changes in foreign currency fluctuations;
- competition;
- the timing of achievement and the receipt of milestone payments from current or future third parties;
- payments due from HANSAmed related to their purchase of Citagenix Inc.;
- failure to enter into new or the expiration or termination of current agreements with third parties;
- failure to manufacture drug candidates and products that meet regulatory and industry standards;
- failure to introduce the Company's products to the market in a manner that generates anticipated revenues;
- the Company's execution of any new collaboration, licensing or similar arrangement, and the timing of payments the Company may make or receive under such existing or future arrangements or the termination or modification of any such existing or future arrangements;
- any intellectual property infringement lawsuit or opposition, interference or cancellation proceeding in which the Company may become involved;
- additions and departures of key personnel;

- strategic decisions by the Company or its competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;

- if any of the Company's product candidates receives regulatory approval, market acceptance and demand for such product candidates;

- regulatory developments or determinations affecting the Company's product candidates or those of its competitors; and

- changes in general market and economic conditions.

Future Sales or Issuances of Securities

The Company may sell additional Common Shares or other Securities in subsequent offerings to finance future activities or issue shares as consideration for acquisitions. The Company cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

Internal Controls over Financial Reporting

As a public company, Antibe is required to comply with the internal control evaluation and certification requirements of securities laws in Canada. The Company's financial reporting internal controls are currently in compliance with those requirements. Ensuring compliance with reporting and other obligations places significant demands on management, administrative, operational and accounting resources. The Company anticipates that it will need to continue to upgrade systems, implement additional financial and management controls, reporting systems and procedures. If it is unable to accomplish these objectives in a timely and effective fashion, its ability to continue to comply with the financial reporting requirements and other rules that apply to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls, including a failure to implement new or improved controls in response to identified weaknesses in its system of internal controls, could cause the Company to fail to meet its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial statements or prevent fraud, its reputation and operating results could be materially harmed, its current and future shareholders could lose confidence in the reported financial information and in the Company, and the Company's share price could be affected negatively.

Prior Losses

It is expected that the Company will continue to experience operating losses until product sales and/or licensing rights income generate sufficient revenues to fund its continuing operations, including research and product development. There is no assurance that Antibe will be able to realize such revenues.

Antibe has incurred net losses from operations since inception. If, in the future, Antibe needs but cannot raise additional funds, it may not be able to continue as a going concern and realize its assets and pay its liabilities as they fall due. The financial statements have been prepared on a going concern basis, which assumes Antibe will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business.

Ability to Secure Additional Financing & Dilution of Common Shares

Antibe expects that its current cash and cash equivalent reserves will be sufficient to meet its anticipated needs for working capital and capital expenditures for the near future. If estimates of revenue, expenses, or capital or liquidity requirements change or are inaccurate, or if cash generated from operations is insufficient to satisfy liquidity requirements, the Company may arrange additional financings. In the future, the Company may also arrange financings to give it the financial flexibility to pursue attractive acquisition or investment opportunities that may arise. The Company may pursue additional financing through various means, including equity investments,

issuances of debt, joint venture projects and licensing arrangements or through other means. The Company cannot be certain that it will be able to obtain additional financing on commercially reasonable terms or at all. The Company's ability to obtain additional financing may be impaired by such factors as the status of capital markets, both generally and specifically in the pharmaceutical industry, and by the fact that it is an enterprise without a proven operating history. If the amount of capital raised from additional financing activities, together with revenues from operations (if any), is not sufficient to satisfy the Company's capital needs, it may not be able to develop or advance its products, execute its business and growth plans, take advantage of future opportunities, or respond to competitive pressures or unanticipated customer or partner requirements. If any of these events occur, the Company's business, financial condition, and results of operations could be adversely affected. Any future equity financings undertaken are likely to be dilutive to existing shareholders. Finally, the terms of securities issued in future capital transactions may include preferences that are more favourable to new investors.

DIVIDENDS

Antibe has not paid dividends on the Common Shares in the past and has no plans to pay dividends on the Common Shares for the foreseeable future. The Company's current intention is to retain earnings to fund the development and growth of the business and it does not anticipate declaring or paying any cash dividends in the near to medium term. The Board will determine if and when dividends should be paid in the future based on all relevant circumstances, including the desirability of financing future growth and the financial position at the relevant time.

DESCRIPTION OF CAPITAL STRUCTURE

Authorized Capital

The Company's authorized share capital currently consists of an unlimited number of Common Shares without nominal or par value.

Common Shares

Each holder of a Common Share is entitled to (i) notice of and the right to vote at all meetings of shareholders of the Company, (ii) receive any dividend declared by the Board, and (iii) receive the remaining property of the Company in the event of the voluntary or involuntary liquidation, dissolution or winding up of the Company, or any other distribution of its assets among its shareholders for the purposes of winding up its affairs. The foregoing description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Company's constating documents, as amended. As at March 31, 2023, there were 52,617,092 Common Shares issued and outstanding.

MARKET FOR SECURITIES

The Common Shares of the Company trade on the TSX under the symbol "ATE" and on the OTCQX under the symbol "ATBPF". The following table sets forth the reported high and low prices and the trading volume for the periods indicated (all data adjusted for the share consolidation that took effect on December 1, 2020):

Month	Toronto Stock Exchange (CDN$)			OTC Market (US$)		
	High	Low	Volume	High	Low	Volume
June 1-27, 2023	0.52	0.46	331,264	- 0.38	0.35	30,200
May 2023	0.56	0.47	476,395	0.41	0.35	168,174
April 2023	0.61	0.52	301,805	0.43	0.38	31,949
March 2023	0.65	0.48	811,301	0.47	0.35	390,646
February 2023	0.62	0.48	1,012,697	0.46	0.36	63,502
January 2023	0.69	0.47	555,136	0.53	0.36	142,910
December 2022	0.59	0.41	838,700	0.40	0.28	108,308
November 2022	0.55	0.46	450,612	0.39	0.35	101,854
October 2022	0.64	0.50	395,062	0.47	0.37	49,846
September 2022	0.71	0.59	373,889	0.54	0.42	130,221
August 2022	0.68	0.58	412,500	0.53	0.46	145,621
July 2022	0.69	0.56	570,945	0.49	0.42	37,240
June 2022	0.75	0.60	644,580	0.59	0.46	145,792
May 2022	0.72	0.66	648,025	0.57	0.50	137,556
April 2022	0.82	0.66	408,692	0.64	0.52	98,395

DIRECTORS AND OFFICERS

The following table provides the names and jurisdictions of residence of the executive officers and the directors of the Company as at the date of this AIF as well as their offices held with the Company, the date they were first appointed to the Board and their principal occupation and positions.

Name and Jurisdiction of Residence	Current Position and/or Office Held	Director Since	Principal Occupation
Robert E. Hoffman[(1)(2)] *San Diego, California USA*	Chair of the Board	November 24, 2020	President, CEO and Chairman, Kintara Therapeutics, Inc.
Amal Khouri[(2)] *Montréal, Québec Canada*	Director	March 19, 2018	Chief Business Officer, Knight Therapeutics Inc.
Daniel Legault *Toronto, Ontario Canada*	President, Chief Executive Officer, Secretary & Director	May 5, 2009	President, Chief Executive Officer, Secretary & Director of Antibe
Roderick Flower[(1)(2)] *London, England United Kingdom*	Director	February 26, 2013	Emeritus Professor of Pharmacology at William Harvey Research Institute, Queen Mary University (London, UK)

Walt Macnee[3] *Toronto, Ontario* *Canada*	Vice Chair & Director	February 26, 2013	Former Vice Chairman, MasterCard Worldwide; former Chair of the Board, Antibe
Jennifer McNealey[1][3] *Mill Valley, California* *USA*	Director	November 24, 2020 2020	Chief Financial Officer, Abdera Therapeutics
Yung Wu[3] *Toronto, Ontario* *Canada*	Director	July 18, 2016	Chief Executive Officer, MaRS Discovery District
Scott Curtis *Toronto, Ontario* *Canada*	Chief Operating Officer	-	Chief Operating Officer, Antibe
Joseph Stauffer *Sarasota, Florida* *USA*	Chief Medical Officer	-	Chief Medical Officer, Antibe
Ana Stegic *Oakville, Ontario* *Canada*	Director, Clinical Operations	-	Director, Clinical Operations, Antibe
David Vaughan *Pickering, Ontario* *Canada*	Chief Development Officer	-	Chief Development Officer, Clinical Operations, Antibe
Alain Wilson *Toronto, Ontario* *Canada*	Chief Financial Officer	-	Chief Financial Officer, Antibe

(1) Member of the Audit Committee, of which Mr. Hoffman is the Chair.

(2) Member of the HR & Compensation Committee, of which Dr. Flower is the Chair.

(3) Member of Governance and Nomination Committee, of which Ms. McNealey is the Chair.

The directors listed above shall hold office for a term expiring at the conclusion of the next annual meeting of shareholders of the Company, or until their successors are duly elected or appointed pursuant to the Business Corporations Act (Ontario). Each director devotes the amount of time as is required to fulfill his or her obligations to the Company. The Company's officers are appointed by, and serve at the discretion of, the Board.

Share Ownership by Directors and Officers

As at June 28, 2023, as a group, the Company's directors and officers beneficially owned or exercised control or direction over, directly or indirectly, 2,964,751 Common Shares representing approximately 5.6% of the issued and outstanding Common Shares (on an undiluted basis) or approximately 9.5% of the issued and outstanding Common Shares on a fully diluted basis.

LEGAL PROCEEDINGS

The Company received notice of arbitral proceedings from Nuance Pharma Limited ("Nuance"), one of the Company's license partners, on January 21, 2022. Nuance holds a license from Antibe respecting the commercialization of otenaproxesul in China, Macau, Hong Kong and Taiwan. Pursuant to the license agreement (the "License Agreement"), Nuance is obligated to make up to US$80 million in payments to Antibe upon certain development and sales milestones, in addition to an upfront payment of US$20 million which has been paid. Nuance seeks to have the license rescinded and the upfront payment returned, alleging in essence that Antibe failed to adequately share information concerning the risks of transaminase elevations related to otenaproxesul. Well in advance of the execution of the License Agreement Antibe provided Nuance with extensive documentation, including all IND-enabling non-clinical study reports and all clinical study reports. Transaminase elevations concerns were outlined extensively in those documents. The Company considers Nuance's claims to be without merit. The Company has engaged counsel to assist it with the arbitration proceedings, which have been brought under the Arbitration Rules of the Singapore International Arbitration Centre. Arbitration proceedings were held in May 2023 and a decision is pending; the Company will provide disclosure concerning significant developments when they occur.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of the directors or executive officers of the Company, or any shareholders who beneficially own, control or direct, directly or indirectly, more than 10% of the Company's outstanding Common Shares, or any known associates or affiliates of such persons, in any transaction within the last three years before the date of this AIF that has materially affected or is reasonably expected to materially affect the Company or a subsidiary of the Company, except as disclosed below or as otherwise disclosed in this AIF.

TRANSFER AGENT AND REGISTRAR

Computershare Limited is the registrar and transfer agent of the Common Shares at its principal offices in Toronto, Ontario.

MATERIAL CONTRACTS

The following are the material contracts, other than contracts in the ordinary course of business, and material contracts in the ordinary course of business required to be listed, that were entered into by the Company in the fiscal 2023 period or prior to this period and are still in effect:

1. Amended and Restated Employee Stock Option Plan and Restricted Share Unit Plan (collectively the "Incentive Plans") dated effective September 9, 2022 to encourage ownership of the Common Shares by directors, officers and employees of the Company, and its subsidiaries thereof, consultants and management Company employees, who are primarily responsible for the management and profitable growth of its business and to advance the interests of the Company by providing additional incentive for superior performance by such persons and to enable the Company and its subsidiaries to attract and retain valued directors, officers, employees, consultants and management Company employees. The maximum number of Common Shares reserved and set aside for issued under the Incentive Plans shall not exceed 12.5% of the Company's issued and outstanding Common Shares from time to time. Options and restricted share units granted under the plan are granted at the discretion of the board of directors of the Company.

2. Licensing and Distribution Agreement entered into with Nuance Pharma Limited ("Nuance") on February 9, 2021 for the development and commercialization of otenaproxesul in the Greater China region.

3. Licensing and Distribution Agreement entered into with Kwang Dong Pharmaceutical Co., Ltd. ("Kwang Dong") on September 5, 2018 for the development and commercialization of otenaproxesul in South Korea.

4. Licensing and Distribution Agreement entered into with Laboratoires Acbel SA ("Acbel") on February 24, 2017 for the exclusive commercial rights for otenaproxesul in the following territories: Greece, Romania, Serbia, Bulgaria, Albania, Algeria and Jordan.

5. Licensing and Distribution Agreement entered into with Knight Therapeutics Inc. on November 16, 2015 for the exclusive commercial rights for otenaproxesul, ATB-352 and ATB-340 (including future Antibe prescription drugs) in the following territories: Canada, Israel, Russia and sub-Saharan Africa.

AUDIT COMMITTEE INFORMATION

Audit Committee Mandate

The Board has established an Audit Committee and adopted a written mandate for the Audit Committee, which sets out the Audit Committee's responsibility for (among other things) reviewing the Company's financial statements and public disclosure documents containing financial information and reporting on such review to the Board, ensuring the Company's compliance with legal and regulatory requirements, overseeing qualifications, engagement, compensation, performance and independence of the Company's external auditors, and reviewing, evaluating and approving the internal control and risk management systems that are implemented and maintained by management. A copy of the Charter of the Audit Committee is attached to this AIF as Appendix "A".

Composition of the Audit Committee and Relevant Education and Experience

The Audit Committee consists of Mr. Hoffman (Chair), Dr. Flower and Mr. McNealey. Each member of the Audit Committee is considered to be "financially literate" and "independent" within the meaning of NI 52-110.

The Company believes that each of the members of the Audit Committee possesses: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) an ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions; (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting.

The following is a brief summary of the education and experience of each member of the Audit Committee relevant to the performance of his responsibility as a member of the Committee.

Audit Committee Member	Relevant Education & Experience
Robert E. Hoffman (Chair)	Mr. Hoffman is President, CEO and Chairman of Kintara Therapeutics, Inc. (San Diego, California). Earlier, he was CFO of San Diego-based Heron Pharmaceuticals, a NASDAQ-listed commercial stage drug developer with a pipeline of acute pain therapeutics. During his tenure at Heron, the company raised more than $650 million and launched its second commercial drug product. His career in the sector began in 1997 at Arena Pharmaceuticals, where he rose to become CFO, holding that position for ten years. While at Arena, he was involved with its IPO and financings raising more than $1.5 billion. Mr. Hoffman is currently a member of the boards of ASLAN Pharmaceuticals and privately held FibroBiologics; he has served as a board member for several publicly listed biotechnology companies. For 10 years until 2020, he was a member of the Small Business Advisory Committee of the Financial Accounting Standards Board (FASB). Mr. Hoffman is also a founding board member of Day for Change, which has funded charities serving underprivileged and abused children in the San Diego area for 20 years.
Roderick Flower	Dr. Flower is Emeritus Professor, Pharmacology at William Harvey Research Institute, Queen Mary University (London, UK). He has spent much of his career researching inflammation and anti-inflammatory drugs; he was a member of the original group that demonstrated the mechanism of action of NSAIDs. Dr. Flower has also made significant advances in understanding how the glucocorticoids and cromone drugs produce their anti-inflammatory and anti- allergic actions. He has published more than 400 papers and is a co-author of a best-selling pharmacology textbook. He is also the recipient of several awards and honourary degrees, including the William Withering Prize of the Royal College of Physicians, the Wellcome Gold Medal of the British Pharmacological Society and the Lifetime Achievement Award of the International Association of Inflammation Societies. Dr. Flower is the former President of the British Pharmacological Society.
Jennifer McNealey	Ms. McNealey is the Chief Financial Officer of Abdera Therapeutics (Vancouver, British Columbia). She is a senior financial and strategy executive with a considerable breadth of experience in the biotechnology sector, as an analyst, portfolio manager, information provider and expert in corporate communications and investor relations. Ms. McNealey began her career as a healthcare equity analyst, transitioning to management of biopharmaceutical-focused investment funds. She has managed investment funds for Morgan Stanley Dean Witter Advisors, Amerindo Investment Advisors and latterly at Franklin Templeton, where she co-managed the Franklin Biotechnology Discovery Fund. She is also the founder of Laurient LLC, an independent equity research and competitive intelligence platform analyzing publicly traded biopharmaceutical companies.

Audit Fees

The following table summarizes the fees paid by the Company to its auditor for external audit and other services provided to the Company in each of the last two fiscal years.

Year	Audit Fees[(1)]	Audit Related Fees	Tax Fees[(2)]	All Other Fees[(3)]
Fiscal 2023	$375	-	$12.7	-
Fiscal 2022	$364.5	-	$76	-

(1) Fees in respect of services performed in order to comply with Canadian generally accepted auditing standards ("GAAS"). In some cases, these may include an appropriate allocation of fees for tax services or accounting consultations, to the extent such services were necessary to comply with GAAS. Also includes fees in respect of reviews of the interim financial statements, the reports of which are provided to the Audit Committee.

(2) Fees in respect of services performed by the auditor's tax professionals, except those services required in order to comply with GAAS which are included under "Audit Fees". Tax services include assistance with tax compliance and tax planning and advice.

(3) Fees in respect of all services not falling under any of the foregoing three categories.

INTEREST OF EXPERTS

The financial statements for the financial years ended March 31, 2022 and March 31, 2023 have been audited by Ernst & Young ("EY") LLP, Chartered Accountants, the Company's auditors. EY is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at sedar.com. Additional information, including directors' and executive officers' remuneration and indebtedness and principal holders of the Company's securities is contained in the Company's management information circular for its upcoming September 8, 2023 annual meeting of shareholders at which directors will be elected. Additional financial information is available in the Company's financial statements and MD&A for its most recently completed financial year.

APPENDIX "A"
CHARTER OF THE AUDIT COMMITTEE

NAME

There shall be a committee of the board of directors (the "Board") of Antibe Therapeutics Inc. (the "Company") known as the Audit Committee.

PURPOSE OF AUDIT COMMITTEE

The Audit Committee has been established to assist the Board in fulfilling its oversight responsibilities with respect to the following principal areas:

(a) the Company's external audit function; including the qualifications, independence, appointment and oversight of the work of the external auditors;

(b) the Company's accounting and financial reporting requirements;

(c) the Company's reporting of financial information to the public;

(d) the Company's compliance with law and regulatory requirements;

(e) the Company's risks and risk management policies;

(f) the Company's system of internal controls and management information systems; and

(g) such other functions as are delegated to it by the Board.

Specifically, with respect to the Company's external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: the quality and integrity of the Company's financial statements, including the Company's management's discussion & analysis ("MD&A"); the independent auditors' qualifications; and the performance of the Company's independent auditors.

MEMBERSHIP

The Audit Committee shall consist of as many members as the Board shall determine. Except as may otherwise be permitted under National Instrument 52-110 - *Audit Committees* ("NI 52-110"), each member of the Audit Committee must, to the satisfaction of the Board, be "financially literate" (as such term is defined in NI 52-110) and each member shall be "independent" (as such term is defined in NI 52-110). Each member of the Audit Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director of the Company. The Board may fill a vacancy that occurs in the Audit Committee at any time.

CHAIR AND SECRETARY

The Chair of the Audit Committee shall be designated by the Board. If the Chair is not present at a meeting of the Audit Committee, the members of the Audit Committee may designate an interim Chair for the meeting by majority vote of the members present. The Secretary of the Audit Committee shall be such member of the Audit Committee as may be designated by majority vote of the Audit Committee from time to time, provided that if the Secretary is not present, the Chair of the meeting may appoint any person who need not be a member, to act as secretary at any meeting. A member of the Audit Committee may be designated as the liaison member to report on the deliberations of the Audit Committees of affiliated companies (if applicable).

MEETINGS

The Chair of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least four times in each fiscal year and at least once in every fiscal quarter. The Audit Committee is to meet prior to the filing of quarterly financial statements in order to review and discuss the unaudited financial results for the preceding quarter and the related MD&A and is to meet prior to filing the annual audited financial statements and MD&A in order to review and discuss the audited financial results for the year and related MD&A. The Audit Committee shall have the authority to convene additional meetings as circumstances require.

Notice of every meeting shall be given to the external and internal auditors of the Company, and meetings shall be convened whenever requested by the external auditors or any member of the Audit Committee in accordance with applicable law. The Audit Committee shall meet separately and periodically with management, legal counsel and the external auditors. The Audit Committee shall meet separately with the external auditors at every meeting of the Audit Committee at which external auditors are present.

A quorum for the transaction of business at any meeting of the Audit Committee is (the presence in person or by telephone or other communication equipment of) a simple majority of the total number of members of the Audit Committee or such greater number as the Audit Committee may by resolution determine. If within one hour of the time appointed for a meeting of the Audit Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, the quorum for the adjourned meeting will consist of the members then present.

Should a vacancy arise among the members of the Audit Committee, the remaining members of the Audit Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.

Meetings of the Audit Committee are to be held from time to time at such place as the Audit Committee or the Chair of the Audit Committee may determine, within or outside Ontario, Canada, upon not less than 48 hours prior notice to each of the members. Meetings of the Audit Committee may be held without 48 hours prior notice if all of the members entitled to vote at such meeting who do not attend, waive notice of the meeting and, for the purpose of such meeting, the presence of a member at such meeting shall constitute waiver on his or her part. Any member of the Audit Committee, the Chairman of the Board, the Company's external auditors, or the Chief Executive Officer or Chief Financial Officer of the Company are entitled to request that the Chair of the Audit Committee call a meeting. A notice of a meeting of the Audit Committee may be given verbally, in writing or by telephone, fax or other means of communication, and need not specify the purpose of the meeting.

The Audit Committee shall keep minutes of its meetings which shall be submitted to the Board.

All decisions of the Audit Committee will require the vote of a majority of its members present at a meeting at which quorum is present. Action of the Audit Committee may be taken by an instrument or instruments in writing signed by all of the members of the Audit Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Audit Committee called for such purpose. Such instruments in writing may be signed in counterparts each of which shall be deemed to be an original and all originals together shall be deemed to be one and the same instrument.

MEETING AGENDAS

Agendas for meetings of the Audit Committee shall be developed by the Chair of the Audit Committee in consultation with management and the corporate secretary, and shall be circulated to Audit Committee members as far in advance of each Audit Committee meeting as is reasonable.

RESOURCES AND AUTHORITY

The Audit Committee shall have the resources and the authority to discharge its responsibilities, including the authority, in its sole discretion, to engage, at the expense of the Company, outside consultants, independent legal counsel and other advisors and experts as it determines necessary to carry out its duties, without seeking approval of the Board or management.

The Audit Committee shall have the authority to conduct any investigation necessary and appropriate to fulfilling its responsibilities, and has direct access to and the authority to communicate directly with the internal and external auditors, the counsel of the Company and other officers and employees of the Company.

The members of the Audit Committee shall have the right for the purpose of performing their duties to inspect all the books and records of the Company and its subsidiaries and to discuss such accounts and records and any matters relating to the financial position, risk management and internal controls of the Company with the officers and external and internal auditors of the Company and its subsidiaries. Any member of the Audit Committee may require the external or internal auditors to attend any or every meeting of the Audit Committee.

RESPONSIBILITIES

The Company's management is responsible for preparing the Company's financial statements and the external auditors are responsible for auditing those financial statements. The Audit Committee is responsible for overseeing the conduct of those activities by the Company's management and external auditors, and overseeing the activities of the internal auditors.

The specific responsibilities of the Audit Committee shall include those listed below. The enumerated responsibilities are not meant to restrict the Audit Committee from examining any matters related to its purpose.

1. Financial Reporting Process and Financial Statements

The Audit Committee shall:

(a) in consultation with the external auditors and the internal auditors, review the integrity of the Company's financial reporting process, both internal and external, and any major issues as to the adequacy of the internal controls and any special audit steps adopted in light of material control deficiencies;

(b) review all material transactions and material contracts entered into between (i) the Company or any subsidiary of the Company, and (ii) any subsidiary, director, officer, insider or related party of the Company, other than transactions in the ordinary course of business;

(c) review and discuss with management and the external auditors: (i) the preparation of Company's annual audited consolidated financial statements and related MD&A and its interim unaudited consolidated financial statements and related MD&A; (ii) whether the financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Company as of and for the periods presented; (iii) any matters required to be discussed with the external auditors according to Canadian generally accepted auditing standards; (iv) an annual report by the external auditors describing: (A) all critical accounting policies and practices used by the Company; (B) all material alternative accounting treatments of financial information within generally accepted accounting principles that have been discussed with management of the Company, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the external auditors; and (C) other material written communications between the external auditors and management;

(d) following completion of the annual audit, review with each of: (i) management; (ii) the external auditors; and (iii) the internal auditors, any significant issues, concerns or difficulties encountered during the course of the audit;

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

(f) review the financial statements, MD&A and annual and interim press releases prior to public disclosure of this information; and

(g) review and be satisfied that adequate procedures are in place for the review of the public disclosure of financial information by the Company extracted or derived from the Company's financial statements, other than the disclosure referred to in (f), and periodically assess the adequacy of those procedures.

2. External Auditors

The Audit Committee shall:

(a) require the external auditors to report directly to the Audit Committee;

(b) recommend to the Board the external auditors to be nominated for approval by the shareholders and the compensation of the external auditor;

(c) be directly responsible for the selection, nomination, compensation, retention, termination and oversight of the work of the Company's external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

(d) approve all audit engagements and must pre-approve the provision by the external auditors of all non-audit services, including fees and terms for all audit engagements and non-audit engagements, and in such regard the Audit Committee may establish the types of non-audit services the external auditors shall be prohibited from providing and shall establish the types of audit, audit related and non-audit services for which the Audit Committee will retain the external auditors. The Audit Committee may delegate to one or more of its independent members the authority to pre-approve non-audit services, provided that any such delegated pre-approval shall be exercised in accordance with the types of particular non-audit services authorized by the Audit Committee to be provided by the external auditor and the exercise of such delegated pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting following such pre-approval;

(e) review and approve the Company's policies for the hiring of partners and employees and former partners and employees of the present and former external auditors of the Company;

(f) consider, assess and report to the Board with regard to the independence and performance of the external auditors; and

(g) request and review the audit plan of the external auditors as well as a report by the external auditors to be submitted at least annually regarding: (i) the external auditing firm's internal quality-control procedures; (ii) any material issues raised by the external auditor's own most recent internal quality-control review or peer review of the auditing firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.

3. Accounting Systems and Internal Controls

The Audit Committee shall:

(a) oversee management's design and implementation of and reporting on internal controls. The Audit Committee shall also receive and review reports from management, the internal auditors and the external auditors on an annual basis with regard to the reliability and effective operation of the Company's accounting system and internal controls; and

(b) review annually the activities, organization and qualifications of the internal auditors and discuss with the external auditors the responsibilities, budget and staffing of the internal audit function.

4. Legal and Regulatory Requirements

The Audit Committee shall:

(a) receive and review timely analysis by management of significant issues relating to public disclosure and reporting;

(b) review, prior to finalization, periodic public disclosure documents containing financial information, including the Company's MD&A and Annual Information Form, if required;

(c) prepare the report of the Audit Committee required to be included in the Company's periodic filings;

(d) review with the Company's counsel legal compliance matters, significant litigation and other legal matters that could have a significant impact on the Company's financial statements; and

(e) assist the Board in the oversight of compliance with legal and regulatory requirements and review with legal counsel the adequacy and effectiveness of the Company's procedures to ensure compliance with legal and regulatory responsibilities.

5. Additional Responsibilities

The Audit Committee shall:

(a) discuss policies with the external auditor, internal auditor and management with respect to risk assessment and risk management;

(b) establish procedures and policies for the following

i. the receipt, retention, treatment and resolution of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

ii. the confidential, anonymous submission by directors or employees of the Company of concerns regarding questionable accounting or auditing matters;

(c) discuss, prepare and review with the Board an annual performance evaluation of the Audit Committee;

(d) report regularly to the Board, including with regard to matters such as the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, the performance of the internal audit function, and the performance and independence of the external auditors; and

(e) review and reassess the adequacy of the Audit Committee's Charter on an annual basis.

6. Limitation on the Oversight Role of the Audit Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Audit Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives financial and other information, and the accuracy of the information provided to the Company by such persons or organizations.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with international financial reporting standards and applicable rules and regulations. These are the responsibility of management and the external auditors.