A copy of this amended and restated preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada, except Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this amended and restated preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. *This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.* ***These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the "United States"). Accordingly, these securities may not be offered, sold or delivered, directly or indirectly, in the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This short form prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of these securities within the United States. See "Plan of Distribution".***

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the issuer at 2488 Dunwin Drive, Mississauga, Ontario L5L 1J9, telephone (416) 679-0899, and are also available electronically at www.sedar.com.*

AMENDED AND RESTATED PRELIMINARY SHORT FORM PROSPECTUS
Amending and Restating the Preliminary Short Form Prospectus dated March 20, 2013

New Issue April 3, 2013

TRIMEL PHARMACEUTICALS

TRIMEL PHARMACEUTICALS CORPORATION

$●

● Units

This short form prospectus qualifies the distribution (the "Offering") of ● units (the "Units") of Trimel Pharmaceuticals Corporation ("Trimel" or the "Company") at a price of $● per Unit (the "Offering Price"). Each Unit consists of one common share (each, a "Common Share") in the capital of Trimel and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant") of Trimel. Each Warrant will entitle the holder thereof to purchase one Common Share (a "Warrant Share") at the exercise price of $● per Warrant Share at any time up to 5:00 p.m. (Toronto time) on the date which is ● months after the closing of the Offering. The Units will immediately separate on closing into Common Shares and Warrants.

The Units will be sold pursuant to an underwriting agreement (the "Underwriting Agreement") dated April ●, 2013 among the Company and RBC Dominion Securities Inc. ("RBC" and, together with any underwriters that sign the Underwriting Agreement, the "Underwriters"). The Offering Price was determined by negotiation between Trimel and the Underwriters. $● of the Offering Price will be allocated as consideration for the issue or sale of each Common Share and $● of the Offering Price will be allocated as consideration for the issue of each one-half Warrant. See "Certain Canadian Federal Income Tax Considerations – Allocation of Purchase Price."

The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbol "TRL." The closing price of the Common Shares on the TSX on April 2, 2013, the last trading day before the date hereof, was $0.87 per Common Share. Trimel has applied to list on the TSX: (i) the Common Shares and Warrants to be issued upon closing of the Offering; (ii) the Over-Allotment Shares (as defined herein) and Over-Allotment Warrants (as defined herein) to be issued upon exercise of the Over-Allotment Option (as defined herein); (iii) the Warrant Shares to be issued upon due exercise of the Warrants; and (iv) the Over-Allotment Warrant Shares (as defined herein) to be issued upon due exercise of the Over-Allotment Warrants. Listing of the securities is subject to the Company fulfilling all of the requirements of the TSX on or before ●, 2013, including, in the case of the Warrants and Over-Allotment Warrants, distribution of the Warrants to a minimum number of public securityholders. There can be no assurance that the Warrants will be listed.

An investment in the Units involves a high degree of risk. See "Forward-Looking Statements" and "Risk Factors" herein, as well as "Risk Factors" in the Company's Annual Information Form, which is incorporated by reference into this short form prospectus and can be found on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. There is currently no market through which the Warrants may be sold and purchasers may not be able to resell Warrants comprised in the Units that are purchased under this short form prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. See "Plan of Distribution" and "Risk Factors".

Price: $● per Unit

Offering	Price to the Public	Underwriters' Fee[(1)]	Net Proceeds to the Company[(2)]
Per Unit	$●	$●	$●
Total[(3)]	$●	$●	$●

(1) Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriters an aggregate fee of $● (the "Underwriters' Fee"), representing ●% of the aggregate gross proceeds of the Offering. See "Plan of Distribution".

(2) After deducting the portion of the Underwriters' Fee attributable to the aggregate gross proceeds of the Offering, but before deducting the expenses of this Offering, estimated to be $●.

(3) The Company has granted to the Underwriters an option (the "Over-Allotment Option"), exercisable in whole or in part in the sole discretion of the Underwriters at any time and from time to time until the date which is 30 days following the Closing Date, to purchase up to an additional ● Common Shares under the Offering (the "Over-Allotment Shares") at a price of $● per Common Share and up to an additional ● Warrants at a price of $● per Warrant (the "Over-Allotment Warrants" and, together with the Over-Allotment Shares, the "Over-Allotment Securities"), or a combination thereof, to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, the Underwriters' Fee, the net proceeds to the Company (before deducting expenses of the Offering) will be $●, $●, and $● respectively. This short form prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Securities upon exercise of the Over-Allotment Option. Unless the context otherwise requires, all references to "Units", "Common Shares" and "Warrants" in this prospectus include the Over-Allotment Shares and Over-Allotment Warrants that comprise the Over-Allotment Securities. A purchaser who acquires Common Shares or Warrants forming part of the Underwriters' over-allocation position acquires such Common Shares or Warrants under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

The Underwriters, as principals, conditionally offer the Units, subject to prior sale, if, as and when Common Shares and Warrants are issued by Trimel and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of Trimel by Stikeman Elliott LLP and on behalf of the Underwriters by Torys LLP.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Units are to be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus. Closing is expected to take place on or about ●, 2013, or such other date as may be agreed between the Company and the Underwriters, but in any event no later than ●, 2013 (the "Closing Date"). Except as may be otherwise agreed by the Company and the Underwriters, the Offering will be conducted under the book-based system operated by CDS Clearing and Depository Services Inc. ("CDS"). A subscriber who purchases Units will receive a customer confirmation from the registered dealer from or through whom the

Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Common Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. Certificates evidencing the Common Shares and Warrants will not be issued unless specifically requested. The Common Shares and the Warrants will each trade separately. In connection with the Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares and Warrants in accordance with applicable market stabilization rules. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution". **After the Underwriters have made a reasonable effort to sell all of the Units offered under this short form prospectus at the Offering Price, the Underwriters may reduce the Offering Price or otherwise change the selling terms from time to time. Any such reduction will not affect the proceeds received by the Company. See "Plan of Distribution".**

The following table sets forth the number of securities issuable to the Underwriters:

Underwriters' Position	Maximum Number of Available Securities	Exercise Period	Exercise Price
Over-Allotment Option	● Over-Allotment Shares ● Over-Allotment Warrants	at any time up to 30 days from the Closing Date	$● per Over-Allotment Share $● per Over-Allotment Warrant

The registered and head office of the Company is located at 2488 Dunwin Drive, Mississauga, Ontario L5L 1J9.

Investors should rely only on the information contained in or incorporated by reference into this short form prospectus. The Company has not authorized anyone to provide investors with different information. Neither the Company nor the Underwriters are making an offer of these securities in any jurisdiction where the Offering is not permitted. Investors should not assume that the information contained in this short form prospectus is accurate as of any date other than the date on the front of this short form prospectus. The Company's business, operating results, financial condition and prospects may have changed since that date.

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GENERAL MATTERS

In this short form prospectus, unless otherwise indicated or the context otherwise requires, the terms "Trimel", the "Company", "we", "us" and "our" are used to refer to Trimel Pharmaceuticals Corporation.

Unless otherwise indicated, all dollar amounts in this short form prospectus are expressed in Canadian dollars.

Any reference in this document to intellectual property rights held by the Company and related commercialization efforts are for convenience purposes only and in no way change or limit the rights held by Trimel SRL (as defined herein).

The address of Trimel's website is www.trimelpharmaceuticals.com. Information contained on Trimel's website is not part of this short form prospectus or incorporated by reference herein. Prospective investors should rely only on the information contained or incorporated by reference in this short form prospectus. Trimel has not authorized any person to provide different information.

The Units being offered for sale under this short form prospectus may only be sold in those jurisdictions in which offers and sales of the Units are permitted. This short form prospectus is not an offer to sell or a solicitation of an offer to buy the Units in any jurisdiction where it is unlawful. The information contained in this short form prospectus is accurate only as of the date of this short form prospectus, regardless of the time of delivery of this short form prospectus or of any sale of the Units.

FORWARD-LOOKING STATEMENTS

This short form prospectus, including the documents incorporated by reference, contains forward-looking statements and forward-looking information (collectively referred to as "forward-looking statements") within the meaning of applicable securities laws. Statements concerning the Company's objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and the business, operations, financial performance and condition of the Company and its subsidiaries are forward-looking statements. The words "believe", "expect", "anticipate", "estimate", "intend", "may", "will", "would" and similar expressions and the negative of such expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are subject to important assumptions, including the following specific assumptions: general industry and economic conditions; changes in the Company's relationship with its suppliers; and pricing pressures and other competitive factors. The Company has also made certain macroeconomic and general industry assumptions in the preparation of such forward-looking statements. While the Company considers these factors and assumptions to be reasonable based on information currently available, there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Trimel business, or developments in the Company's industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward- looking statements. Risks related to forward-looking statements include, among other things: the ability of the Company to continue as a going concern; the Company's ability to meet future capital requirements; presence of a limited market for the Company's common shares; the Company's debt financing arrangements; risks related to legal proceedings and arbitration related to the IP Agreement (as defined herein); marketing and distribution risks including identifying appropriate licensing partners and concluding favorable transactions with them; the Company's dependence on key personnel; the Company's success in research and development; the Company's success in clinical testing; dilution of holders of the Company's common shares; the control of the Company by the principal shareholder and risks related to the Common Shares held by the principal shareholder; manufacturing related risks; supplier risks; protection of the Company's intellectual property rights; the Company's ability to expand operations; the degree of market acceptance of the Company's products; the cost of products and third party reimbursement; competition against the Company; the purchase and maintenance of licensed patent rights; risk of third party claims for infringement; the Company's reliance on any licensors to maintain patent rights; the possible volatility of the public market and share price; the Company's limited operating history and absence of revenue; reliance on and protection of the Company's trade secrets; rapid technological change; lack of regulatory approval; extensive government regulation of the industry or products; potential legal liability; the fluctuating and uncertain price of raw materials; the Company's obligations under indemnity agreements and other similar arrangements; tax risks; the Company's non-payment of dividends; the difficulty of enforcement against the Company's foreign-held assets; and the Company's ability to generate ancillary revenue. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and the

Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change except as required by applicable securities laws.

All of the forward-looking statements made in this short form prospectus are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with securities commissions or similar regulatory authorities in Canada are specifically incorporated by reference into, and form an integral part of, this short form prospectus:

- the annual information form of Trimel dated March 24, 2013;
- management's discussion and analysis of Trimel for the financial year ended December 31, 2012;
- the consolidated financial statements of Trimel and the notes thereto for the financial years ended December 31, 2012 and 2011 together with the auditors' report thereon;
- the information circular of Trimel dated May 7, 2012 distributed in connection with the annual meeting of shareholders of Trimel held on June 28, 2012;
- the material change report dated February 28, 2013 relating to the implementation of the Rights Plan (as defined herein) for Trimel; and
- the material change report dated January 10, 2013 relating to the announcement of a senior management realignment for Trimel.

Material change reports (other than confidential reports), business acquisition reports, interim financial statements and all other documents of the type referred to above and any other document of the type required by National Instrument 44-101 — *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, filed by Trimel with a securities commission or similar regulatory authority in Canada after the date of this short form prospectus and before completion or withdrawal of this Offering, will be deemed to be incorporated by reference into this short form prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained in this short form prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this short form prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Copies of documents incorporated herein by reference may be obtained upon request without charge from the Corporate Secretary of Trimel at 2488 Dunwin Drive, Mississauga, Ontario L5L 1J9. These documents are also available on SEDAR at www.sedar.com.

THE COMPANY

The Company is a specialty pharmaceutical company actively developing medications for male hypogonadism, female sexual dysfunction, and various respiratory disorders. The Company holds a licence for the development and marketing rights worldwide, excluding Brazil and Russia, to certain products utilizing a bioadhesive intranasal gel drug delivery technology platform and owns a novel unit-dose dry powder inhaler / nasal dispersion system ("TriVair™"). This license is the subject of certain arbitration proceedings, as described under "Legal Proceedings". The Company is actively pursuing the development and application of these technologies for therapeutic categories such as (a) male hypogonadism ("low testosterone" or "Low-T"), (b) female orgasmic disorder ("FOD"), and (c) respiratory disorders ("asthma").

The Company's drug delivery technology platforms are intended to create products that are expected to be safer, more effective, easier to use and more practical than competitive products on the market. Since the Company's inception, it has focused on the optimization of known high-volume pharmaceutical compounds in order to improve their performance and utilization by physicians and patients.

Trimel's common shares are listed for trading on the TSX under the symbol "TRL". This listing became effective on July 19, 2011 following Trimel's graduation from the TSX Venture Exchange (the "TSX-V')

The registered and head office of the Company is located at 2488 Dunwin Drive, Mississauga, Ontario, L5L 1J9. The Company is the parent corporation to two wholly-owned subsidiaries. Trimel owns directly a 100% interest in Trimel BioPharma Holdings Inc. ("Trimel Holdings"), which was incorporated under the laws of the Barbados on September 9, 2008. Trimel Holdings in turn owns directly a 100% interest in Trimel BioPharma SRL ("Trimel SRL"), a society with restricted liability established under the laws of Barbados. Trimel SRL is the principal operating entity of the business of Trimel and is the owner or licensee, as applicable, of the intellectual property required for the conduct of Trimel's business.

Recent Developments

On January 1, 2012, the Company effected an amalgamation with Trimel Canada, a wholly-owned subsidiary incorporated pursuant to the *Business Corporations Act* (Ontario). The resulting company carried on the name, articles, by-laws and business of the Company.

On July 17, 2012 the Company closed a public offering (the "2012 Offering") for aggregate gross proceeds of $13.2 million. In connection with this offering, the Company issued 7,569,000 units at a price of $1.75 per unit. Each unit consists of one Common Share and one-half of one Common Share purchase warrant. Each whole warrant entitles the holder to purchase one Common Share at an exercise price of $2.50 until January 17, 2015. In connection with this offering, the underwriters were granted an over-allotment option, which was exercised in part, to purchase of an additional 60,400 Common Shares and 74,700 whole warrants for aggregate gross proceeds of $111,040. The closing of the over-allotment took place on August 3, 2012. On July 17, 2012, the warrants of the Company were approved for listing on the TSX and commenced trading under the symbol "TRL.WT.A".

On July 18, 2012, the Company entered into a loan and security agreement (the "Loan Agreement") with GE Capital Healthcare Financial Services ("GE Capital"), as agent for the lenders party thereto, pursuant to which GE Capital advanced US$7,500,000 (the "Loan") to the Company. In connection with the Loan, the lenders under the Loan Agreement (or certain of their affiliates) were issued warrants exercisable for an aggregate of 154,916 Common Shares and certain brokers were issued warrants exercisable for an aggregate of 51,639 Common Shares. The warrants are exercisable for five years at an exercise price of US$1.4524. According to the Loan Agreement, the Loan accrues interest at 10.75% per year and is repayable in scheduled installments commencing February 1, 2013 through to July 1, 2015 (subject to repayment on demand at any time should certain customary events of default occur). As is customary, the Company granted security over the assets of the Company and its subsidiaries. The Loan Agreement also contains certain restrictions requiring the Company to dedicate a portion of its cash to payments of interest and maintain a cash reserve in an amount equal to or greater than US$3,750,000 (the "Minimum Cash Requirement"). In the event that the Offering is not completed, the Company would likely fail to meet its covenant in respect of the Minimum Cash Requirement in early-April 2013. However, the Company expects to enter into an amendment of the Loan Agreement by not later than April 4, 2013, pursuant to which GE Capital would agree to reduce the Minimum Cash Requirement to $1.0 million until May 1, 2013 to allow the Company to raise funds through the Offering without being in default of the Loan Agreement.

On February 27, 2013, the Company announced that it has implemented a shareholder rights plan (the "Rights Plan"). The Rights Plan is designed to encourage the fair treatment of the Company's shareholders in the event of any take-over bid for the Common Shares. It provides the board of directors with sufficient time to assess and evaluate any unsolicited

take-over bid, and to explore and develop, if appropriate, alternatives that enhance shareholder value and to give shareholders adequate time to consider any change of control transaction. At the date of implementation of the Rights Plan (the "Implementation Date"), the Company was not aware of any specific take-over bid for the Company's shares that had been made or was contemplated and this remains true as at the date hereof. At the Implementation Date, the Company had learned of certain information regarding the potential for a realization in respect of Common Shares held and pledged by Mr. Eugene Melnyk, the Company's principal shareholder, which shares may form part of a financial restructuring unrelated to the business of the Company. At the Implementation Date, the Company understood that the timing for any potential realization was uncertain, but that it could result in the ownership of the Common Shares held by Mr. Melnyk being transferred to unrelated third parties. In order to proactively protect the rights of shareholders of the Company if such realization action were to proceed, the board of directors decided to implement the Rights Plan at such time. Based on information provided to the Company by representatives of Mr. Melnyk, the Company now understands that Mr. Melnyk will complete a refinancing (the "Refinancing") on or about April 5, 2013, pursuant to which the existing pledges will be released. The Company further understands that certain of the Common Shares held by Mr. Melnyk may be pledged to the lenders in respect of the Refinancing.

The Rights Plan provides for the issuance of one right in respect of each Common Share outstanding as of 5:00 p.m. (Toronto time) on February 26, 2013 (the "Effective Date") and each Common Share issued after such time. Each right entitles the holder of the right to purchase from the Company an additional Common Share at the exercise price, which has initially been set at $10.00, subject to the terms and conditions set forth in the Rights Plan.

The rights will become exercisable only when a person, including any party related to it, acquires or announces its intention to acquire beneficial ownership of shares which, when aggregated with its current holdings, total 20% or more of the Common Shares without the approval of the board of directors. If such an event were to occur, and subject to the terms and conditions of the Rights Plan, each right held by shareholders other than the applicable acquiring person or any related persons, would be able to be exercised to allow the holder to acquire Common Shares at a substantial discount to the market price of the Common Shares at such time.

Notwithstanding the foregoing, the Rights Plan will not be triggered by the holding of 20% or more of the Common Shares by certain "grandfathered" shareholders, including Mr. Melnyk and his affiliates, associates and joint actors, as well as any bona fide lenders thereof holding a security interest in respect of the Common Shares held thereby. Additionally, the board of directors has the discretion to waive the application of the Rights Plan, and may choose to do so if it determines any transaction would be in the best interest of the Company. The Rights Plan may also be terminated by the Company, at its option, at any time.

The Rights Plan will expire upon the earlier of: (a) the redemption of the rights issuable under the Rights Plan by the Company in accordance with the terms and conditions of the Rights Plan; and (b) the date that is 180 days after the Effective Date. The Company does not, at this time, intend to seek shareholder approval of the Rights Plan. A copy of the Rights Plan has been filed by the Company on SEDAR at www.sedar.com.

On March 31, 2013, a US$2.0 million milestone payment in respect of CompleoTRT™ became payable to M&P Patent AG ("M&P") by Trimel SRL under the Intellectual Property Rights and Product Development Agreement between Trimel SRL and M&P dated May 22, 2009 (as amended, the "IP Agreement"). As of the date hereof, Trimel SRL has not paid such amount, however, under the terms of the IP Agreement, Trimel SRL is entitled to a thirty day cure period following receipt of a notice from M&P regarding the outstanding amount. To date, Trimel has not received such a notice from M&P. As noted in "Use of Proceeds" herein, the Company intends to pay such amount using a portion of the proceeds obtained from the Offering prior to the expiry of the thirty day cure period provided for in the IP Agreement. Counsel to Trimel SRL has engaged in discussions with counsel to M&P with a view to either extending the timeline for such payment or, in light of the currently pending arbitration matter relating to CompleoTRT™ (discussed under "Legal Proceedings" herein), negotiating satisfactory escrow terms to govern the holding of such funds until such arbitration matter in respect of CompleoTRT™ has been resolved.

SUMMARY DESCRIPTION OF BUSINESS

Trimel Products

The Company has acquired or licensed the rights to two proprietary drug delivery technology platforms and is actively pursuing the development and application of these technologies to several pharmaceutical compounds. These innovative technology platforms consist of a bioadhesive intranasal gel together with the Company's dispenser and the TriVair™ Deposition/Dispersion System, a unit dose dry powder inhaler and nasal dispersion system.

The Company's intent is to out-license drug candidates at a point in the development that will optimize the financial return to the Company. Different drug candidates will be out-licensed earlier in their development than others depending on a variety of factors including, among others, long term potential and size of the market of a drug candidate, the offers being made by potential partners, the amount of funds needed to advance the drug candidate and the number of other drug candidates being advanced by the Company at any given time. The Company has and will continue to identify and enter into discussions with potential partners.

Bioadhesive Intranasal Gel Technology

Trimel holds an exclusive worldwide license, excluding Brazil and Russia, to a bioadhesive intranasal gel drug delivery technology platform in relation to certain specific product development programs including: (a) male testosterone replacement therapy, (b) female sexual dysfunction therapy and (c) dopamine therapy. This technology, when combined with a drug compound, results in a proprietary bioadhesive drug/gel combination designed to adhere to the interior lateral wall of the nasal cavity. The gel acts as a controlling matrix, allowing for controlled release of pharmaceutical compounds through the nasal mucosa. The nasal mucosa offers an easily accessible route of administration providing high permeability combined with rapid absorption into the peripheral circulatory system. The license to this technology is the subject of certain arbitration proceedings, as described under "Legal Proceedings".

Alongside the gel technology, the Company has invested significant time and resources into developing a multi-dose nasal dispenser for CompleoTRT™. The multi-dose dispenser provides the end user with the ability to target a specific nasal anatomical "sweet spot", thereby providing for consistent and precise delivery of each dose. The sealed construction of the dispenser also prevents air from coming in contact with the drug, thereby preventing contamination.

Three products that utilize the Bioadhesive Intranasal Gel Technology platform that Trimel has the rights to are:

CompleoTRT™ — Male Hypogonadism

The Company's most advanced product candidate, CompleoTRT™, is a bioadhesive intranasal gel formulation of testosterone. CompleoTRT™ is designed with a view to providing hypogonadal patients with superior safety and enhanced convenience over currently available treatment options. Subject to the approval of the United States Food and Drug Administration (the "FDA"), CompleoTRT™ is designed to be applied to the interior lateral wall of the nasal cavity, where studies have demonstrated that the gel is fully absorbed into the nasal mucosa within 15-30 minutes. There is virtually no smell or taste associated with the gel. It is expected that, as a result of the "no touch" targeted delivery to the nasal mucosa, CompleoTRT™ should avoid skin-to-skin transference to third parties, a health risk that led the FDA to issue a "black-box" warning in May 2009 for secondary transference for all topical testosterone gel preparations. To date, the FDA has not asked the Company to conduct any patient transference studies, supporting the Company's expectation that the CompleoTRT™ label will not contain a "black box" warning. When comparing CompleoTRT™ versus currently marketed topical testosterone gel preparations, the Company believes that in addition to the avoidance of skin transference issues, enhanced patient compliance may be derived from the ease of application, the lack of any mess or odour from the gel, as well as the convenient dosing via the novel multi-dose nasal dispenser.

CompleoTRT™ has concluded a comprehensive clinical development program, announcing Phase III efficacy results in December 2012. The CompleoTRT™ Phase III clinical trial results demonstrated that after ninety (90) days of product dosing, average serum testosterone levels for patients involved in the study were within FDA efficacy guidance for a testosterone replacement therapy. The Company's and external expert analysis of the Phase III clinical trial efficacy data is based on results from 306 patients who participated in the study. Safety data, as well as secondary endpoint data observed during the efficacy trial was consistent with other testosterone therapies and no drug-related serious adverse events were reported.

Additionally, as announced by the Company on March 18, 2013, the Company has received positive secondary efficacy endpoint and safety results from the CompleoTRT™ pivotal Phase III clinical study. These results complement the previously announced Phase III pivotal clinical trial results indicating that CompleoTRT™ met its primary efficacy endpoints.

The pivotal study protocol included evaluations of the impact of treatment with CompleoTRT™ on body composition (total body mass, lean body mass, fat mass, percent body fat), bone mineral density, mood and erectile function. Following ninety (90) days of CompleoTRT™ treatment, a statistically significant improvement over baseline was observed

in all domains related to erectile function and mood. As well, CompleoTRT™ treatment demonstrated favourable trends with respect to its effect on bone mineral density and improvements in body composition parameters.

The safety study results demonstrated that after 360 days of treatment, the CompleoTRT™ safety profile was consistent with currently marketed topical testosterone replacement therapies. There were no drug related serious adverse events observed at any safety time point during the study, and there was a decrease in mild and moderate drug related adverse events over time. Measures of nasal tolerability demonstrated that CompleoTRT™ was well tolerated in the nasal mucosa, with no adverse event trends.

The Company is currently in the process of compiling a new drug application ("NDA") for filing with the FDA for CompleoTRT™, with a targeted submission date in the second quarter of 2013. While it is difficult to predict with any certainty the timelines or outcomes associated with an NDA, we believe that the FDA will consider CompleoTRT™ to be a standard NDA without a new molecular entity, and the FDA's stated goal for such an NDA is to review and act on the NDA within 10 months of receipt. However, approval may take longer especially if there is a need for multiple review cycles. The FDA reported first cycle approvals in only 38% of the NDAs filed from 2008 to 2011. Commercialization of the CompleoTRT™ product by a strategic marketing partner in the United States cannot proceed until the submission, review and approval of an NDA by the FDA.

The Company is actively involved in varying stages of discussions, some of which have included the receipt of non-binding expressions of interest and potential financial terms, with multiple pharmaceutical companies and looks to conclude a transaction for CompleoTRT™ and/or its other products prior to the end of 2013; however, there can be no assurance that any such transaction will completed within such timeframe or at all.

Tefina™ — Female Orgasmic Disorder (Anorgasmia)

The Company's product candidate Tefina™ is an intranasal, low-dose gel formulation of testosterone. Tefina™ is being developed to offer women experiencing Female Orgasmic Disorder ("FOD") a "use as required" treatment option. FOD is defined as the persistent or recurrent delay in, or absence of, orgasm following normal sexual excitement phase that causes marked personal distress or interpersonal difficulties. The etiology of FOD is often characterized by whether the dysfunction has been lifelong (primary) or acquired (secondary).

If successfully developed and approved, the "use as required" treatment regimen for Tefina™ is intended to present an attractive safety profile with virtually no androgen-related side effects such as acne, facial and body hair growth or deepening of the voice. Moreover, there is no expected risk of skin-to-skin transfer of testosterone to third parties with the nasal dispenser.

In a Phase I study conducted in 2010, the administration of Tefina™ resulted in an increase in plasma testosterone levels without exceeding the "upper limit of normal" testosterone plasma levels. Tefina™ was also shown to induce physiological and subjective sexual arousal within 30 minutes post-administration. To the knowledge of the Company, this is the first known study involving testosterone to ever show an increase in genital responsiveness within 30 minutes post-drug (testosterone) administration.

Results of a Tefina™ Phase II trial were released in February 2012. This Phase II trial in women experiencing FOD was studied in a hospital setting by employing the established Vibrotactile Stimulation ("VTS") FOD research model. Women experiencing primary or secondary FOD were treated with a single dose of Tefina™ or a placebo and then challenged with a VTS device designed to induce orgasm at different time points post dose. Patient reports, Vaginal Pulse Amplitude ("VPA") – a physiological measurement of blood flow in the vagina corresponding with engorgement of female genitalia, as well as clinically accepted patient questionnaires, were used to measure the response.

Study analysis concluded that of the 58 women that participated in the study during the VTS treatment phase, four women who were administered Tefina™ self-reported an orgasm during VTS treatment, while an additional eight patients treated with Tefina™ reported sensations indicative of an actual orgasm as part of the post-treatment exit interview. Of the patients in the placebo arm, two patients self-reported an orgasm during the VTS treatment, however one of these two patients is believed to have experienced an orgasm during the screening portion of the study, and should have been excluded from proceeding into the treatment phase. Patients treated with Tefina™ demonstrated a statistically significant improvement in VPA versus placebo, and elevation of sexual arousal, as well as positive trends in terms of elevating sensuality, sexual desire and pleasurable genital sensation.

The Company initiated enrolment in May 2012 for a second Tefina™ Phase II being conducted in the United States,

Canada and Australia. The Tefina™ Phase II study design has an expected enrollment of 240 women experiencing secondary FOD and will be conducted as an ambulatory trial. As part of this double-blinded placebo-controlled study, patients will administer Tefina™ or placebo at home instead of in a hospital setting. The primary efficacy endpoint of the ambulatory trial will be the increase in the occurrence of orgasms over the treatment period compared against baseline levels. Trial completion is expected in the first half of 2014, however the Company may, in accordance with the study protocol, elect to conduct an interim analysis when approximately 50% of patients have completed the study, which is expected to be reached in late 2013.

Depending on the results of this Phase II study, another Phase II trial may be required or the Company may enter into Phase III of its development program.

While it is difficult to predict with any certainty the timelines or outcomes associated with clinical trials or an FDA review of an NDA, necessary Phase II and Phase III clinical trials of a similar size and complexity could take approximately two years in total to complete. Commercialization of Tefina™ to treat FOD by a strategic marketing partner in the United States cannot proceed until successful completion of the necessary clinical programs and the submission, review and approval of an NDA by the FDA.

TBS-3 — Parkinson's Disease

The Company's TBS-3 product candidate is an intranasal gel formulation of dopamine in a pre-clinical phase. TBS-3 is a drug candidate with the potential to treat hypomobility (difficulty controlling movement) associated with the advanced stages of Parkinson's disease. TBS-3, if developed, may provide patients with rapid efficacy to relieve hypomobility episodes and the potential to reduce dopamine-related side effects.

TBS-3 has demonstrated efficacy in a preclinical study and Trimel is relying on its technology partner for formulation optimization before proceeding with further preclinical studies.

TriVair™ Pulmonary and Nasal Delivery Technology

In November 2009, Trimel SRL acquired assets of Keldmann Healthcare A/S which has subsequently been rebranded as TriVair™. TriVair™ was the 2009 European Drug Delivery Devices Product Differentiation Innovation of the Year award winner. TriVair™ is a disposable single unit dose dry powder inhalation drug delivery technology platform with applications for both nasal and pulmonary dosing. TriVair™'s patented drug delivery technology may provide significant benefits to patients suffering from certain major respiratory disorders.

Pulmonary delivery of medication is often achieved by way of two types of inhalers, metered dose inhalers ("MDIs") and dry powder inhalers ("DPIs"). MDIs, more commonly known as "puffers", are designed to release a premeasured amount of medication into the air. In general, MDIs have a chamber that holds the medication and a propellant that turns the medication into a fine mist. A patient is required to push a button to force the medication out through the mouthpiece. This requires coordination by the patient of his/her inhalation with the actuation of the device and can be problematic for both children and the elderly. DPIs also are designed to release a finite amount of medication but without the use of a chemical propellant to push the medication out of the inhaler. Instead, the medication is released by the patient inhaling a deep, fast breath.

TriVair™, through in vitro cascade impactor studies, demonstrated that it may provide patients suffering from pulmonary diseases with up to 2.5 times greater drug deposition in the lung as compared to MDIs. It is hoped that greater lung deposition of medications will result in equal efficacy to currently marketed asthma medications with reduced drug load and improved safety. TriVair™ is also designed to provide patients and their caregivers with immediate visual feedback to ensure that the dose has been accurately administered. Its technology avoids the issues associated with inhalation and actuation timing, and requires little more than a deep breath to effectively deposit the active ingredient.

For the treatment of upper respiratory tract conditions, the act of simple exhalation into the TriVair™ device will cause the soft-palate to close, preventing the drug dose from being swallowed thus depositing the medication into the nasal cavity at the site of action. It is hoped that improving the delivery of medication to the nasal cavity can potentially reduce the side effects associated with such delivery mechanisms such as bad taste or smell, burning sensations in the throat and mouth as well as medication draining into the throat, with inadvertent delivery of medication into the throat and oral cavity. Moreover, since TriVair™ is a unit-dose dispenser, the risk of infection, a side effect that often occurs due to the intermittent or seasonal use of nasal products to treat allergies, is minimized.

On March 14, 2013, Trimel SRL entered into an agreement to partner with a privately-held European company to develop single dose and fixed dose combinations of a portfolio of established active pharmaceutical ingredients for the treatment of a variety of respiratory disorders utilizing TriVair™.

As part of this transaction, Trimel SRL will gain rights to all know-how and intellectual property developed for the applicable products for territories outside of the European Union, Russia and Ukraine. Trimel SRL's development partner will be granted rights to the products developed under the agreement in these markets. Royalties will be payable by the parties to each other in connection with revenues received by each party (or any licensees) in their respective territories in connection with any developed products developed under the agreement.

There are three programs in the TriVair™ product portfolio that are at the formulation and/or clinical supply manufacturing stage.

Bronchospasm

TBS-7 is targeted to provide patients with quick relief from asthma symptoms using a unit-dose dry-powder inhaler to deliver albuterol, a standard treatment in the prevention and treatment of asthma symptoms. The TriVair™ technology used by TBS-7 provides immediate visual feedback that the dose has been released and inhaled correctly. The Company believes that TBS-7, if approved, will be the only available bronchodilator available in the dry powder inhaler format in the United States. This product may benefit patients that have issues coordinating the timing of their inhalation with the actuation of medication from a puffer. Typical inhaled products are characterized by large dose levels of which a small fraction is actually delivered to the lung tissue. TBS-7 is anticipated to lower the overall systemic exposure of medication by delivery of a significant drug percentage to the target tissue, allowing for equal efficacy to currently marketed albuterol products with reduced drug load and safety risks.

Trimel's investigational new drug application ("IND") for TBS-7 became effective with the FDA in January 2011.

The Company is ready to complete formulation development, manufacture clinical supplies and move into Phase II clinical trials pending the receipt of additional financial resources.

While it is difficult to predict with any certainty the timelines or outcomes associated with clinical trials or an FDA review of an NDA, Phase II and Phase III clinical trials of a similar size and complexity could take approximately 18 to 24 months to complete. Commercialization of the TriVair™ product to treat bronchospasm by a strategic marketing partner in the United States cannot proceed until successful completion of the necessary clinical programs and the submission, review and approval of an NDA by the FDA.

Asthma — Maintenance Therapy

TBS-5 is intended to provide asthma patients with improved delivery of an underutilized inhaled corticosteroid for the long-term treatment of airway inflammation caused by asthma. The Company is working to create an optimal formulation with further development work pending the receipt of additional financial resources.

Allergic Rhinitis

TBS-6 is in early stage exploratory development. It is intended to provide patients suffering from seasonal and perennial allergic rhinitis with leading nasally delivered corticosteroids. Current treatments result in side effects due to the delivery of the active ingredient by a nasal spray pump. Use of the TriVair™ technology to deliver TBS-6 may provide a superior outcome for the patient by achieving targeted delivery of the medication by causing the soft palate to close when exhaling into the TriVair™ dispenser.

Business Strategy

The Company is currently focusing its development efforts on creating new best-in-class versions of existing pharmaceutical compounds in large therapeutic categories such as male hypogonadism, female sexual dysfunction, and respiratory disorders.

The Company continuously develops global regulatory strategies for many of its product candidates entering full development programs, focusing on standards defined by government regulations for the territories where it intends to market its products. Its regulatory strategy typically integrates the technical criteria developed under the International Conference on

Harmonisation's internationally recognized requirements for quality, safety and efficacy in order to support successful and timely approvals of new therapeutic products and their placing on the worldwide market. The goal of this strategy is to enable the Company to file applications for marketing authorization in key market regions, particularly in the United States and the European Union. The Company's regulatory strategy is designed to obtain marketing authorization for its products expeditiously. Since Trimel is dealing with known and approved substances, the Company believes that the likelihood of approval for its products is greater than comparable new chemical entities.

The Company is leveraging the strengths of its management and developmental teams in applying its technologies to a broad selection of pharmaceutical compounds (which may vary from product to product). Once products have reached a meaningful stage of development (which may vary from product to product), it is the Company's current intent to execute transactions with strategic partners for commercialization, thereby enabling Trimel to leverage the strengths and scale of its commercial partners' sales and marketing infrastructure. The Company intends to maintain control over the manufacturing process for its products. The Company expects to receive attractive profit margins from product sales to its commercial partners.

However, there can be no assurance that Trimel will be able to achieve its business strategies or objectives as it presently contemplates or at all.

LEGAL PROCEEDINGS

Trimel has rights to a bioadhesive intranasal gel drug delivery technology platform under license from a European based technology partner. These rights are subject to an IP Agreement. Under the terms of the IP Agreement, M&P is obligated to perform certain pre-clinical and other developmental work, and Trimel is obligated to provide certain developmental work and advance products through associated clinical programs if and/or as appropriate. In certain circumstances, M&P is entitled to various milestone payments under the terms of the IP Agreement.

On March 3, 2011, Trimel SRL commenced an arbitration proceeding in accordance with the terms of the IP Agreement with respect to the timing of a milestone payment due on the Successful Completion of a Phase II Study for the CompleoTRT™ product, in the net amount of about US$2.8 million. On June 6, 2011, the parties resolved the arbitration and Trimel SRL agreed to pay a portion of the milestone that was in dispute and in exchange it received the right to file additional patent applications relating to the products licensed from M&P.

With respect to Tefina™, and in accordance with the terms of the IP Agreement, M&P is entitled to a milestone payment totaling US$2.25 million upon "Successful Completion" (as defined in the IP Agreement) of Phase II clinical development for the product. In October 2011, M&P asserted that the development status of Tefina™ had met the definition of Successful Completion and that the US$2.25 million was owed. As Trimel SRL did not have all of the data and information required to enter Phase III clinical trials with this program (as required by the definition of Successful Completion), and as Trimel SRL believes M&P had not met various associated performance obligations with respect to the preclinical and dispenser development of this product that were required before the Phase III clinical program could be commenced, Trimel SRL commenced arbitration proceedings against M&P in Lugano, Switzerland in accordance with the dispute mechanism embodied in the IP Agreement for a determination that the milestone payment was not currently due. In January 2012, M&P responded to Trimel SRL's notice of arbitration by requesting from the arbitration panel that the arbitration be dismissed with costs.

In February 2012, M&P sent a notice purporting to terminate Trimel's rights to Tefina™ under the IP Agreement for failure to pay the milestone, notwithstanding the ongoing arbitration. Following this response, Trimel SRL and M&P submitted further pleadings in support of their respective positions and an arbitration hearing occurred on February 26, 2013 in Zurich, Switzerland. A decision has yet to be rendered by the applicable arbitration panel; however, Trimel anticipates such a decision may be available at the end of the second quarter of 2013. The Company believes that M&P's notice of termination has no basis and is without validity. However, as discussed under "Risk Factors – Risks Related to the IP Agreement" below, there can be no assurances that such termination will not occur. The Company believes that resolution of this matter if it was not decided in Trimel SRL's favour, would be limited to an arbitration panel imposed monetary payment.

In addition to the above matters, on December 20, 2012, Trimel SRL advised M&P that, due to its failure to comply with certain obligations relating to the development of a dispenser for Tefina™ and the resulting delays to such product's development arising therefrom, payment of a milestone payment of US$2.5 million otherwise due on December 31, 2012 would be delayed in accordance with the explicit provisions of the IP Agreement. The Company believes that Trimel SRL is acting fully within its rights under the IP Agreement in this regard. On January 3, 2013, M&P advised Trimel SRL that it did not believe that Trimel SRL was entitled to delay payment, and provided a notice purporting to terminate Trimel SRL's rights

to Tefina™ under the IP Agreement. Trimel SRL has raised these claims within the scope of the above noted existing Tefina™ arbitration matter. However, consideration of this dispute did not form part of the February 26, 2013 hearing noted above. Formal pleadings in respect of this matter are expected to follow after the release of a decision by the arbitration panel in respect of the above noted existing Tefina™ matter. The Company believes that M&P's notice of termination has no basis and is without validity. However, as discussed under "Risk Factors – Risks Related to the IP Agreement" below, there can be no assurances that such termination will not occur. The Company believes that resolution of this matter if it was not decided in Trimel SRL's favour would be limited to an arbitration panel imposed monetary payment.

On December 20, 2012, Trimel SRL advised M&P that due to M&P's repeated failures to carry out certain obligations under the IP Agreement with respect to the development of CompleoTRT™, Trimel SRL was, in accordance with the explicit provisions of the IP Agreement, exercising its rights to deduct certain documented expenses totalling approximately US$2.47 million from the amount otherwise owing in connection with a US$3.0 million milestone payment due on December 31, 2012. The Company believes that Trimel SRL is acting fully within its rights under the IP Agreement in this regard. On January 3, 2013, M&P advised Trimel SRL that it did not believe that Trimel SRL was entitled to make the applicable deductions from the milestone payment, and provided a notice purporting to terminate Trimel SRL's rights to CompleoTRT™ under the IP Agreement. On January 25, 2013, Trimel SRL commenced arbitration proceedings against M&P in Lugano, Switzerland in accordance with the dispute mechanism embodied in the IP Agreement for a determination that it was entitled to make the stipulated deductions from the applicable milestone payment, and that M&P's termination notice was of no force and effect. The Company believes that M&P's notice of termination has no basis and is without validity. However, as discussed under "Risk Factors – Risks Related to the IP Agreement" below, there can be no assurances that such termination will not occur. Further, the Company believes that resolution of this matter if it was not decided in Trimel SRL's favour, would be limited to an arbitration panel imposed monetary payment.

In addition to the arbitration regarding Tefina™ and CompleoTRT™, Trimel SRL commenced arbitration against M&P in connection with a dopamine product. The dispute centers on whether M&P provided the necessary formulation for the development of the product, but Trimel SRL has currently stayed the arbitral proceedings. The Company is of the view that this arbitration is not material and that there are no near-term prospects for the commercialization of the dopamine product.

In January 2013, M&P revoked certain powers of attorney that had previously been provided to Trimel's patent counsel in accordance with the terms and conditions of an amendment to the IP Agreement. Such powers of attorney had been relied upon by Trimel's patent counsel to prosecute in the name of M&P certain patent applications related to Tefina™ and CompleoTRT™. Trimel believes that such revocation of the applicable powers of attorney was without merit and constitutes a clear breach of M&P`s obligation under the IP Agreement. Accordingly, in February 2013, Trimel commenced proceedings in the United States to obtain a preliminary injunction and temporary restraining order to restore the rights of Trimel's patent counsel to prosecute the relevant patent applications in accordance with the terms and conditions of the IP Agreement. On March 29, 2013, the Court dismissed Trimel SRL's proceedings on the basis that it lacked subject matter jurisdiction and personal jurisdiction over M&P. As a result of this determination, Trimel's patent counsel is not currently able to prosecute in the name of M&P certain patent applications related to Tefina™ and CompleoTRT™. However, this decision does not impact the ability of Trimel's patent counsel to prosecute those patents registered in the name of Trimel or Trimel SRL. The Company is evaluating its options with respect to these matters with its legal counsel, including a potential appeal of this decision or the initiation of proceedings in this regard in another venue. See "Risk Factors - Risks Related to the IP Agreement".

USE OF PROCEEDS

The estimated net proceeds to be received by Trimel from the Offering (assuming no exercise of the Over-Allotment Option) will be $● (determined after deducting the Underwriters' Fee attributable to the gross proceeds of the Offering (being $●) and estimated expenses of the Offering payable by Trimel (being $●)). If the Over-Allotment Option is exercised in full, the estimated net proceeds received by the Company from the Offering will be $● (determined after deducting the Underwriters' Fee attributable to the gross proceeds of the Offering (being $●) and estimated expenses of the Offering payable by Trimel (being $●)).

$● of the Offering Price will be allocated as consideration for the issue or sale of each Common Share and $● of the Offering Price will be allocated as consideration for the issue of each one-half Warrant.

Trimel intends to use the net proceeds from the Offering to fund capital, operating and product development expenditures as follows:

Use of Proceeds	**$**
CompleoTRT™ NDA costs	$●
CompleoTRT™ milestone payment [(1)]	$●
CompleoTRT™ manufacturing scale-up costs[(2)]	$●
Tefina™ clinical trial costs	$●
Principal and interest repayment	$●
General corporate purposes	$●
Total	$●

(1) Pursuant to the IP Agreement, the Company must pay US$2 million as a milestone payment to M&P on March 31, 2013. See "Legal Proceedings" above.

(2) These costs include payments to third party manufacturers to build out certain manufacturing processes related to the commercial production of CompleoTRT™.

The Company believes the Offering proceeds will be sufficient for the Company to complete all activities and prepare the necessary documentation required for the NDA submission to the FDA in respect of CompleoTRT™. Costs to prepare and complete the NDA and make a milestone payment to M&P under the IP Agreement are estimated to be $4.9 million. The Company intends to use $● million to fund the patient enrolment portion of the on-going Phase II clinical trial described above for Tefina™ under "Trimel Products" until the fourth quarter of 2013 (depending on patient enrollment rates). The Company expects the patient enrolment related to the Tefina™ Phase II clinical trial to be completed by the end of 2013. The Company expects to incur approximately $1.1 million per month of general and administrative costs, including debt associated principal and interest payments, over the time that it takes to complete the patient enrolment portion of the Phase II clinical trial for Tefina™ and submit the NDA in respect of CompleoTRT™. The Company will not be in a position to estimate costs associated with completing subsequent clinical trial programs for Tefina™ until it has completed the ongoing Phase II clinical trial and met with the FDA to determine what additional clinical trials must be completed to support a NDA for this product.

The Company may, prior to the end of 2013, be required to use additional funds for purposes that are not included in Use of Proceeds to: (a) cover payments of up to approximately US$7.2 million (plus any interest or costs to be determined to be payable in connection therewith) that are contingent upon the outcome of the M&P related arbitration proceedings described under "Legal Proceedings"; and (b) purchase certain packaging components and filling equipment at a cost of approximately US$4.7 million related to the preparation of CompleoTRT™ finished goods. In order to fund items (a) and (b) above, the Company may need to obtain alternative additional capital through equity and/or debt financings, successfully complete out-licensing activities related to the commercial rights to one or more products, and/or seek a development partner to share in funding clinical trial costs.

During the period for December 31, 2011 to December 31, 2012, the Company's negative cash flow from operations was approximately US$2.0 million per month. During the period of January 1, 2013 to December 31, 2013, the average monthly negative cash flow from operations is estimated to be in the range of $2.0 million to $2.2 million, including a time-based milestone payment related to CompleoTRT™ but excluding items (a) and (b) in the paragraph immediately above. The monthly cash flow fluctuation will primarily be impacted by the number of patients enrolled in the Company's on-going clinical trials related to Tefina™ and the timing of a milestone payment related to CompleoTRT™. If the Offering is completed, the Company anticipates being able to maintain such negative cash flow from operations until the end of 2013 while remaining in compliance with the Minimum Cash Requirement under the Loan Agreement.

As of December 31, 2012, the Company had positive working capital of US$2.9 million and, during the three years ended December 31, 2012, the Company has incurred total comprehensive losses of US$72.5 million. Trimel's estimated working capital position as at February 28, 2013 is negative US$3.2 million. As at February 28, 2013, Trimel has cash or cash equivalents of approximately US$5.4 million. The ability of the Company to continue as a going concern for the foreseeable future is dependent on it raising sufficient funds or obtaining an alternative source of financing. While the Company has been successful in raising financing to date, there can be no assurance that it will be able to do so in the future.

Although the Company intends to use the funds from the Offering as set out in the above table, the actual allocation of the net proceeds may vary from those set out above, depending on operating and capital needs and the progress of all research and development programs from time to time. With respect to Tefina™ and CompleoTRT™, the Company primarily conducts its own internal research and development, but contracts third party Contract Research Organizations

("CROs") to manage investigator sites involved in conducting clinical trials. The Company monitors CRO activities and their compliance with study protocols.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Company has agreed to sell and the Underwriters have agreed to purchase, as underwriters, on the Closing Date, which is expected to be on or about ●, 2013, or such other date as may be agreed upon by the Company and the Underwriters, ● Units at the Offering Price, payable in cash to the Company against delivery of the Common Shares and Warrants comprising the Units, subject to compliance with all necessary legal requirements and to the conditions contained in the Underwriting Agreement. The Units will separate into Common Shares and Warrants immediately upon closing. The obligations of the Underwriters under the Underwriting Agreement are several (and not joint nor joint and several) and may be terminated at their discretion upon the occurrence of certain stated events as set out in the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all of the securities if any of the securities are purchased under the Underwriting Agreement. After the Underwriters have made a reasonable effort to sell all of the Units offered under this short form prospectus at the Offering Price, the Underwriters may reduce the Offering Price or otherwise change the selling terms from time to time. Any such reduction will not affect the proceeds received by the Company.

The Company has also granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part in the sole discretion of the Underwriters at any time and from time to time until the date which is 30 days following the Closing Date, to purchase the Over-Allotment Shares at a price of $● per share and up to ● Over-Allotment Warrants at a price of $● per Over-Allotment Warrant, or a combination thereof, to cover overallotments, if any, and for market stabilization purposes. This short form prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Securities upon exercise of the Over-Allotment Option. If the Over-Allotment Option is exercised in full, the total price to the public, the Underwriters' Fee and the net proceeds to Trimel (before deducting expenses of the Offering), will be $●, $● and $●, respectively.

The Offering Price was determined by negotiation between the Company and the Underwriters.

There is currently no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this short form prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. The Company has agreed to use its best efforts to list the Warrants on the TSX. Listing of the Warrants is subject to the Company fulfilling all of the requirements of the TSX on or before ●, 2013, including distribution of the Warrants to a minimum number of public securityholders. There can be no assurance that the Warrants will be listed.

The Company has agreed to indemnify the Underwriters and their directors, officers, employees and certain other related parties against certain liabilities pursuant to the Underwriting Agreement, including liabilities under Canadian securities legislation.

The Company has agreed that it will not, without the prior written consent of the Underwriters, such consent not to be unreasonably withheld, during the period commencing on the date of the Underwriting Agreement and ending 180 days following the Closing Date, (i) offer, pledge, sell, contract to sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer, lend or dispose of directly or indirectly, Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares, or (ii) enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of Common Shares or such other securities of the Company, other than (a) the sale of the Units, (b) issuances of Common Shares in connection with the exercise of obligations outstanding as at ●, 2013, (c) issuances under any of the Company's incentive plans existing as at ●, 2013, (d) issuances of securities as consideration in connection with bona fide arm's-length acquisitions or debt financings by the Company), (e) issuances of securities in connection with any licensing or commercial transaction with a bona fide third party, (f) issuances of securities in connection with the settlement of any arbitration proceeding, or (g) issuances of up to ● broker warrants to certain financial advisors identified by the Company, with such broker warrants having terms materially similar to the Warrants.

The directors and the executive officers of the Company have each agreed with the Underwriters that without the Underwriters' consent, such consent not to be unreasonably withheld, he or she will not, whether for his or her own account or for the account of another, and will cause any spouse, immediate family member or immediate family member of the spouse living in the same household, or any trust of which any of the foregoing individuals are beneficiaries, to not in any manner, for a period commencing on the date of the Underwriting Agreement and ending 180 days following the Closing

Date: (i) offer, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares; or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Shares, in each case other than (A) transfers of Common Shares as a bona fide gift or gifts, or (B) transfers of Common Shares pursuant to a third party take-over bid made to all shareholders of the Company or a similar acquisition transaction. No other such lock-up agreements will be entered into in connection with the Offering.

Pursuant to the terms of the Underwriting Agreement, the Company has agreed to pay the Underwriters' Fee in consideration for the services rendered in connection with the Offering. The Company is responsible for all expenses related to the Offering, whether or not it is completed. The Underwriters will not receive any other fee or commission from the Company in connection with the completion of the Offering.

Pursuant to policy statements of certain Canadian securities regulators, the Underwriters may not, throughout the period of distribution, bid for or purchase Common Shares or Warrants. The policy statements allow certain exceptions to the foregoing prohibitions. The Underwriters may only avail themselves of such exceptions on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of the Common Shares or Warrants. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces of the Investment Industry Regulatory Organization of Canada, relating to market stabilization and passive market making activities, a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution and a bid or purchase to cover a short position entered into prior to the period of distribution. Pursuant to the first mentioned exception, in connection with the Offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

Subscriptions for the Units will be received, subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice.

Except as may be otherwise agreed by the Company and the Underwriters, the Offering will be conducted under the book-based system operated by CDS. A subscriber who purchases Units will receive a customer confirmation from the registered dealer from or through whom the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Common Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. Certificates evidencing the Common Shares and Warrants will not be issued unless specifically requested.

The Units, the Common Shares, the Over-Allotment Shares, the Warrants, the Over-Allotment Warrants, the Warrant Shares and the Over-Allotment Warrant Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. Accordingly, the Units may not be offered, sold or delivered, directly or indirectly, within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. The Underwriting Agreement permits the Underwriters, through their qualified U.S. broker-dealer affiliates, to offer and sell Units to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("Rule 144A")) (a "Qualified Institutional Buyer") in transactions that comply with the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A and similar exemptions under applicable state securities laws. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Units outside the United States only in accordance with Regulation S under the U.S. Securities Act. The Units that are sold in the United States and the Common Shares, Over-Allotment Shares, Warrants, Over-Allotment Warrants, Warrant Shares and Over-Allotment Warrant Shares represented by such Units will be restricted securities within the meaning of Rule 144 under the U.S. Securities Act and may only be offered, sold, pledged or otherwise transferred, directly or indirectly, to the Company or pursuant to Rule 904 of Regulation S under the U.S. Securities Act. This short form prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Units, the Common Shares, the Over-Allotment Shares, the Warrants, the Over-Allotment Warrants, the Warrant Shares or the Over-Allotment Warrant Shares in the United States.

The Warrants will not be exercisable in the United States unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available, and the Company has received a certificate from the holder of such Warrants, in the prescribed form set out in the Warrant Indenture (as defined herein) to such effect; provided however, that a Qualified Institutional Buyer that was the original purchaser of Units in the offering in the United States will not be required to deliver any such certificate in connection with the exercise of Warrants that were part of

those Units at a time when it remains a Qualified Institutional Buyer. Under limited circumstances, the Company may be required to register the Warrant Shares under the U.S. Securities Act.

In addition, until forty (40) days after the commencement of the Offering, an offer or sale of the Units, the Common Shares, the Over-Allotment Shares, the Warrants, the Over-Allotment Warrants, the Warrant Shares or the Over-Allotment Warrant Shares within the United States by any dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an available exemption under the U.S. Securities Act.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at the dates indicated, before and after completion of the Offering. This table should be read in conjunction with the consolidated audited annual financial statements of the Company (including the notes thereto) incorporated by reference in this short form prospectus.

	As at December 31, 2012	As at December 31, 2012 after giving effect to the Offering[(1)]	As at December 31, 2012 after giving effect to the Offering[(2)]
		(unaudited)	(unaudited)
Common Shares (Authorized: unlimited)	90,796,762	●	●
Warrants	12,106,129	●	●
Stock Options	5,590,805	●	●
Current Portion of Long-Term Debt (Net of Issuance Cost)	US$2,425,562	US$●	US$●
Long-Term Debt (Net of Issuance Cost)	US$4,561,686	US$●	US$●
Total Shareholder's Equity	US$4,750,488	US$●	US$●

(1) Assumes no exercise of the Over-Allotment Option.
(2) Assumes full exercise of the Over-Allotment Option.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Common Shares

The holders of Common Shares are entitled to receive notice of any meeting of shareholders of Trimel and to attend and vote thereat, except those meetings at which only the holders of shares of another class or of a particular series are entitled to vote. Each Common Share entitles its holder to one vote. Subject to the rights of the holders of preferred shares (of which there are none outstanding), the holders of Common Shares are entitled to receive on a pro-rata basis such dividends as the board of Trimel may declare out of funds legally available therefor. In the event of the dissolution, liquidation, winding-up or other distribution of the assets of Trimel, such holders are entitled to receive on a pro-rata basis all of the assets of Trimel remaining after payment of all of Trimel's liabilities, subject to the rights of holders of preferred shares (of which there are none outstanding). The Common Shares carry no pre-emptive rights, conversion rights or redemption rights.

Warrants

The Warrants will be created and issued pursuant to the terms of a warrant indenture or a supplemental warrant indenture (the "Warrant Indenture") to be dated as of the closing date between the Company and Equity Financial Trust Company, as warrant agent thereunder (the "Warrant Agent"). The Company will appoint the principal transfer office of the Warrant Agent in Toronto, Ontario as the location at which Warrants may be surrendered for exercise or transfer.

The following summary of certain provisions of the Warrant Indenture does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture.

Each Warrant will entitle the holder thereof to purchase one Warrant Share at a price of $● at any time before 5:00 p.m. (Toronto time) on the date which is ● months after the Closing Date, after which time the Warrants will expire and be void and of no value. The Warrant Indenture will contain provisions designed to protect the holders of Warrants against dilution upon the happening of certain events. No fractional Warrant Shares will be issued upon the exercise of Warrants.

The Warrants are transferable by the holder. **However, there is currently no market through which the Warrants may be sold and purchasers may not be able to resell Warrants. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. See "Risk Factors". The Company has agreed to use its best efforts to list the Warrants on the TSX. Listing will be subject to Trimel fulfilling all of the requirements of the TSX, including distribution of the Warrants to a minimum number of public securityholders. There can be no assurance that the Warrants will be listed.**

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

(i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than a "Dividend Paid in the Ordinary Course", as defined in the Warrant Indenture, or a distribution of Common Shares upon the exercise of the Warrants);

(ii) the subdivision, re-division or change of the Common Shares into a greater number of shares;

(iii) the reduction, combination or consolidation of the Common Shares into a lesser number of shares;

(iv) the issuance to all or substantially all of the holders of the Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the "Current Market Price", as defined in the Warrant Indenture, for the Common Shares on such record date; and

(v) the issuance or distribution to all or substantially all of the holders of the Common Shares of shares of any class other than the common shares, rights, options or warrants to acquire Common Shares or securities exchangeable or convertible into the common shares, or evidences of indebtedness or cash, securities or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events: (1) reclassifications of the Common Shares; (2) consolidations, amalgamations, plans of arrangement or mergers of the Company with or into another entity (other than consolidations, amalgamations, plans of arrangement or mergers which do not result in any reclassification of the Common Shares or a change of the Common Shares into other shares); or (3) the transfer (other than to one of the Company's subsidiaries) of the undertaking or assets of the Company as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the number of Warrant Shares purchasable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the number of Warrant Shares purchasable upon exercise of one Warrant by at least one one-hundredth of a Warrant Share.

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days before the record date or effective date, as the case may be, of such event.

No fractional Warrant Shares will be issuable upon the exercise of Warrants, and no cash or other consideration will be paid in lieu of fractional shares. Holders of Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Common Shares would have.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by "extraordinary resolution", which is defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Warrants (which has been duly convened and held in accordance with the Warrant Indenture) by the affirmative vote of holders of Warrants

representing not less than two-thirds of the aggregate number of then outstanding Warrants represented at the meeting and voted on such resolution or (2) adopted by an instrument in writing signed by the holders of Warrants representing not less than two-thirds of the aggregate number of then outstanding Warrants.

PRIOR SALES

The following disclosure relates to the Common Shares and securities that are convertible into such Common Shares issued or granted during the twelve-month period prior to the date of this short form prospectus.

Description of Transaction	Date of Sale/Grant	Aggregate Number and Type of Securities Issued	Issuance Price($)/Exercise Price($) and Expiry Date
Public Offering of 7,629,400 Common Shares [(1)]	July 17, 2012	7,629,400 Common Shares	$1.75 per unit
Public Offering of 3,859,200 Warrants [(1)]	July 17, 2012	3,859,200 Warrants	$2.50 per Common Share expiring January 17, 2015
Private Placement of Warrants	July 18, 2012	206,555 Warrants	US$1.4524 per Common Share expiring July 18, 2017
Stock Option Grant	November 14, 2012	1,000,000 Options	$2.18 per Common Share expiring November 14, 2017

(1) The common shares and warrants issued on July 17, 2012 were issued pursuant to the 2012 Offering.

MARKET FOR SECURITIES

The Common Shares are listed on the TSX under the trading symbol "TRL". The following table sets forth information relating to the trading of the Common Shares on the TSX for the months indicated.

	Share Price ($) (in Canadian Dollars)		Average Daily Trading Volume of Shares
	High	Low	
2012			
April	5.11	3.20	45,400
May	4.12	2.69	23,500
June	3.48	1.56	71,700
July	1.64	1.33	52,600
August	1.70	1.48	15,500
September	1.69	1.50	21,300
October	2.40	1.40	98,300
November	2.40	1.95	56,100
December	2.41	1.56	57,000
2013			
January	1.94	1.56	41,947
February	1.87	1.58	24,419
March	1.73	0.76	208,093
April (1-2)	0.90	0.80	453,921

The Company's existing warrants are listed on the TSX under the trading symbols "TRL.WT" and "TRL.WT.A." The following tables set forth information relating to the trading of the Company's warrants on the TSX for the months indicated.

	Price ($) (in Canadian Dollars)		Average Daily Trading Volume of Warrants (TRL.WT)[1]
	High	**Low**	
2012			
April	1.60	0.92	4,348
May	0.93	0.36	4,673
June	0.70	0.255	2,916
July	0.49	0.205	6,250
August	0.44	0.44	500
September	-	-	-
October	0.35	0.20	3,725
November	0.245	0.11	20,750
December	0.125	0.125	1,000
2013			
January	0.20	0.20	8,500
February	-	-	-
March	-	-	-
April (1-2)	-	-	-

(1) Trading volume averages have been calculated by dividing the total volume for the applicable month by the number of trading days on which any trades of the warrants were completed.

	Price ($) (in Canadian Dollars)		Average Daily Trading Volume of Warrants (TRL.WT.A)[1]
	High	**Low**	
2012			
July 17 – July 31[2]	0.45	0.35	76,833
August	0.45	0.32	39,650
September	0.35	0.33	51,500
October	0.55	0.34	16,750
November	0.54	0.35	11,438
December	0.495	0.395	3,275
2013			
January	0.43	0.43	1,675
February	0.45	0.39	4,212
March	0.39	0.20	4,200
April (1-2)	0.14	0.11	29,500

(1) Trading volume averages have been calculated by dividing the total volume for the applicable month by the number of trading days on which any trades of the warrants were completed.
(2) The warrants listed for trading under the symbol "TRL.WT.A" began trading on July 17, 2012 subsequent to the closing of the 2012 Offering.

RISK FACTORS

Investment in the Units involves a high degree of risk and should be regarded as speculative due to the nature of the business and because product candidates are still in the research and development phase. Trimel has incurred losses and expects to incur further losses in the foreseeable future. In addition to other information contained in this short form prospectus, the following factors should be considered carefully by investors when evaluating an investment. For a full discussion of the risk factors applicable to Trimel, see Trimel's Annual Information Form dated March 20, 2013 which is incorporated by reference into this short form prospectus.

Going Concern Risk

The ability of the Company to continue as a going concern is dependent upon the Company's ability to secure additional financing in order to remain in compliance with the terms and conditions of the Loan Agreement, fund any potential payments required to be made in connection with the arbitration matters detailed under "Legal Proceedings" above, continue product development activities, implement its business plan and ultimately bring products to market. As of December 31, 2012 the Company had positive working capital of US$2.9 million and during the three years ended December 31, 2012, the Company has incurred total comprehensive losses of US$72.5 million. The ability of the Company to continue as a going concern for the foreseeable future is dependent on raising sufficient funds via a commercial or strategic transactions or debt or equity financing. While the Company has been successful in raising financing to date, there can be no assurance that it will be able to do so in the future.

Since inception, the Company has experienced negative operating cash flow. Absent any upfront fees associated with a commercial transaction, the Company anticipates continuing to experience negative cash flow for the next two years.

Ability to Meet Future Capital Requirements

The development of the business of the Company will depend upon the amount of additional financing available. Failure to obtain sufficient financing may result in delaying, scaling back, eliminating or indefinitely postponing the development of additional products and the business of the Company's current or future operations, or may result in the Company being required to relinquish rights to or sell certain of its products that it would otherwise not relinquish or sell. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be acceptable. Loans have been obtained by the Company in 2012 pursuant to the Loan Agreement (as defined herein), and further loans may be required to be obtained from Canadian financial institutions or the public debt markets. There is no assurance that the business of the Company will generate sufficient cash flow from operations in the future to service any debt and to make necessary capital expenditures, in which case the Company may seek additional financing, dispose of certain assets or seek to refinance some or all of its debt.

Future capital requirements will depend on many factors including, without limitation:

- progress in the application of delivery and formulation technologies, which may require further refinement;
- the number and complexity of product development programs pursued and the pace at which each such program is pursued;
- the scope, rate of progress, results and costs of pre-clinical and clinical trials;
- the time and costs associated with seeking regulatory approvals;
- the ability to establish collaborative arrangements with others and the terms of any such arrangements;
- the ability to meet milestones under any collaborative arrangements;
- the time and expense required to prosecute, enforce and/or challenge patent and other intellectual property rights;
- the outcome of the M&P related arbitration proceedings described under "Legal Proceedings";
- the cost of possible acquisitions of drug delivery technologies, compounds, product rights or companies;

- the development of necessary manufacturing infrastructure and ongoing working capital requirements to support manufacturing operations;
- competing technological and market developments;
- costs for recruiting and retaining employees and consultants;
- unexpected legal, accounting and other costs and liabilities related to the business of the Company; and
- capital and debt market conditions.

Risks Associated with Debt Financing

As described under "Recent Developments" above, the Company has entered into the Loan Agreement. The terms of the Loan Agreement include certain restrictions requiring the Company to dedicate a portion of its cash to payments of interest and maintain the Minimum Cash Requirement, thereby reducing the availability of cash to fund working capital, capital expenditures and other general corporate purposes. In the event that the Offering is not completed, the Company would likely fail to meet its covenant in respect of the Minimum Cash Requirement in early-April, 2013. However, the Company expects to enter into an amendment of the Loan Agreement by not later than April 4, 2013, pursuant to which GE Capital would agree to reduce the Minimum Cash Requirement to $1.0 million until May 1, 2013 to allow the Company time to raise funds through the Offering without being in default of the Loan Agreement. In the event that the proposed amendment to the Loan Agreement is not entered into, the Company may fail to meet its covenant in respect of the Minimum Cash Requirement and be in default of the Loan Agreement prior to completion of the Offering. Additionally, the Loan Agreement includes certain restrictions on the ability of the Company's ability to borrow additional funds, even where necessary to maintain adequate liquidity. As at February 28, 2013, the Company had cash or cash equivalents of approximately US$5.4 million. During the period of January 1, 2013 to December 31, 2013, the Company's average monthly negative cash flow from operations is estimated to be in the range of $2.0 to $2.2 million.

Additionally, all of the assets of the Company and its subsidiaries are subject to a senior secured interest in favour of GE Capital in support of the Company's obligations under the Loan Agreement. A default under the Loan Agreement, including any breach of the Minimum Cash Requirement, would entitle GE Capital to exercise certain remedies under the Loan Agreement, including without limitation and subject to applicable laws and the terms and conditions of the Loan Agreement, an ability of GE Capital to sell, lease or dispose of all or a part of the assets of the Company and its subsidiaries and apply the applicable proceeds against any outstanding amounts owed to it. The exercise of the remedies available to GE Capital in connection with any default under the Loan Agreement may have a material adverse effect on the Company.

Risks Related to the IP Agreement

The intranasal gel drug delivery technology platform owned by M&P and licensed to the Company is integral to the Company's CompleoTRT™, Tefina™ and TBS-3 products. The Company is currently in arbitration with M&P pursuant to the IP Agreement, as described under "Legal Proceedings", in respect of all three products, although proceedings in respect of TBS-3 have been stayed by Trimel SRL. If the Company is not successful in the arbitrations, it could be required to make an immediate payment of up to approximately US$7.2 million plus interest to M&P and may also have to pay the costs of the arbitrations. Further, while the Company believes that the notices of termination delivered by M&P in respect of Tefina™ and CompleoTRT™ are without any basis, there are no assurances that M&P will not be successful in having the rights to the Tefina™ and CompleoTRT™ products under the IP Agreement terminated. If these licenses are terminated, the Company will lose the rights to use M&P's bioadhesive intranasal gel drug delivery technology platform for the applicable product(s) and will cease development of Tefina™ and CompleoTRT™.

Furthermore, as described under "Legal Proceedings", M&P has revoked certain powers of attorney given to the Company's patent counsel, permitting the Company's patent counsel to prosecute certain of M&P's patent applications. Initial court proceedings initiated by Trimel SRL were unsuccessful, and the Company is considering further options in this regard. Should the Company be unsuccessful in reinstating these powers of attorney, the Company will lose the ability to prosecute these patent applications in its interest, with consequent loss of control and potential prejudice to the scope of, and protection afforded by, these patent properties.

Controlling Shareholder

As at the date hereof, Mr. Eugene Melnyk owns an aggregate of 53,478,965 Common Shares, representing approximately 58.9% of the current issued and outstanding Common Shares. The Company understands that the Common Shares beneficially owned by Mr. Melnyk have been pledged to certain lenders (the "Lenders") in respect of existing financing arrangements and that the Lenders presently have the right to vote or to sell such Common Shares. As a result of his ownership interest in Trimel, Mr. Melnyk is in a position to determine the outcome of certain corporate actions requiring shareholder approval, including: electing a majority of the directors of the Company, adopting amendments to the constating documents (other than an amendment to the by-laws of the Company to remove the requirement that a majority of the directors be independent of both the Company and Mr. Melnyk (and/or the Lenders), which amendment must be approved by a majority of the minority shareholders) and approving a merger, consolidation, liquidation, or sale of all or substantially all of the assets of the Company. Mr. Melnyk (and/or the Lenders) may have interests that differ from other Trimel shareholders. Mr. Melnyk could decide to sell his Common Shares, subject to the rights of the Lenders. The Company will not have any control over any decision that Mr. Melnyk (and/or the Lenders) may make in the future regarding the continued ownership of the applicable Common Shares. Sales of substantial amounts of Common Shares, or the perception that these sales could occur, could adversely affect the market price of Common Shares. Mr. Melnyk will not be entering into a lock-up agreement in connection with the Offering. Based on information provided to the Company by representatives of Mr. Melnyk, the Company now understands that Mr. Melnyk anticipates completing the Refinancing on or about April 5, 2013, pursuant to which the existing pledges will be released. The Company further understands that certain of the Common Shares held by Mr. Melnyk may be pledged to the lenders in respect of the Refinancing.

Licensed Patent Rights

The Company has obtained patent licences and plans to obtain licenses to products, technologies, and other patents. The Company may be required to pay license fees or royalties or both to obtain such licenses which would have an adverse impact on the Company's revenues, and there is no guarantee that such licenses will be available on acceptable terms, if at all. Even if the Company is able to successfully obtain a license, the rights may be non-exclusive, which may give access to the Company's competitors to the same intellectual property it may have rights to, which could prevent the Company from commercializing a product. If licenses are terminated, Trimel would lose the right to use licensed technologies with the result that Trimel may have to stop developing product candidates or stop selling products. The Company is currently in arbitration with M&P over a potential termination of the Company's rights to Tefina™ and CompleoTRT™ under the IP Agreement and while the Company believes that M&P's has no basis for seeking to terminate such rights, there can be no assurances that M&P will not be successful in having such rights terminated. See ''Legal Proceedings''.

Additionally, the Company has been granted certain rights with respect to the prosecution of certain licensed patents pursuant to amendments to the IP Agreement. As described in further detail under "Legal Proceedings", Trimel SRL's initial proceedings to seek certain injunctive relief to enjoin M&P from taking certain actions that the Company believes are a breach of the applicable provisions of the IP Agreement have been dismissed and the Company is considering further options in this regard. If Trimel SRL is unsuccessful in restoring its rights with respect to the prosecution of such patents, it is possible that M&P will not devote the same resources or attention to the prosecution of the applicable patent applications as Trimel SRL would if it controlled such prosecution. Consequently, the resulting patent protection, if any, may not be as strong or comprehensive, which could have a material adverse effect on the Company. See also "Risks Related to the IP Agreement".

Marketing and Distribution Risk

Except for the March 14, 2013 agreement entered into between Trimel SRL and a European partner with respect to certain active pharmaceutical utilizing the TriVair™ technology (as described under "Trimel Products – TriVair™ Pulmonary and Nasal Delivery Technology" above), the Company currently does not have arrangements with a commercial partner to market, sell or distribute its products. The Company intends to collaborate with third parties that have direct sales forces and established distribution systems, either to augment, or in lieu of, its own sales force and distribution systems. For any collaboration to be successful, the Company must identify partners whose competencies complement those of the Company. To the extent that the Company enters into co-promotion or other commercial arrangements, its share of product revenue is likely to be lower than if the Company directly marketed or sold its products. In addition, any revenue received will depend in whole or in part upon the efforts of such third parties, which may not be successful and will generally not be within the Company's direct control. If the Company is unable to enter into such arrangements on acceptable terms or at all, it may be required to expend considerable funds and effort to establish its own direct sales force and distribution system and may not be able to successfully commercialize its existing products and future product candidates. If the Company is not successful in commercializing its existing products and future product candidates, either on its own or through collaborations

with one or more parties, future product revenue will suffer and the Company may incur significant losses.

Dependence on Key Personnel

The Company's future success depends on its ability to attract, train, retain key employees and successfully integrate new talent into its management and scientific team. The Company is dependent on the services of its senior management team and members of its scientific staff. The loss of any of the members of the Company's senior management team or scientific staff could have a material adverse effect on the Company's results of operations, business and prospects.

Research and Development

The Company is focused on improving the utility of known pharmaceutical compounds by applying drug delivery technology. If the Company is not successful in improving the utility of known pharmaceutical compounds it may never generate revenues and its business may fail. It can take several years for a product candidate to be approved and commercialized successfully, and the Company may not be successful in bringing additional product candidates to the stage at which such product candidates can be successfully commercialized. In the event that the Company or any of its collaborative partners determines that any of its product candidates has unintended or undesirable side effects, or that any product candidates that appear promising in early-stage clinical studies do not demonstrate efficacy in later-stage clinical trials, the Company may have to curtail, redirect or eliminate certain product development programs.

Clinical Testing

The Company has incurred substantial expense for, and devoted a significant amount of time to, pre-clinical testing and clinical trials, and expects to continue to do so. The commencement and rate of completion of clinical trials may be delayed by many factors including, without limitation:

- adequate funding to support the capital needs of the development programs;
- delays in identifying and reaching agreement on acceptable terms with prospective investigators and trial sites;
- inability to recruit and retain acceptable clinical trial participants at the expected rate;
- failure of clinical trials to demonstrate a product candidate's safety or efficacy;
- unforeseen safety issues;
- inability to manufacture sufficient quantities of materials used for clinical trials; and
- unforeseen governmental or regulatory delays.

Results of clinical trials of our current and potential product candidates may not be viewed favourably by the Company or third parties, including regulatory authorities, investors, analysts and potential commercial partners. The quality and robustness of the results and data of any clinical trial the Company conducts will depend upon the selection of a patient population for clinical testing. If the selected population is not of a sufficient size or representative of the intended population, further clinical testing of product candidates or termination of research and development activities related to the selected product may be required. The Company's ability to commence clinical testing or the choice of clinical development path could compromise business prospects and prevent the achievement of revenue.

Clinical trials of each of the Company's product candidates are expected to involve a drug delivery technology platform and a related drug. This makes testing more challenging as the outcome of the trials will depend on the performance of the delivery technology in combination with the drug in question.

The Company depends on independent clinical investigators, contract research organizations and other third-party service providers to conduct clinical trials for its product candidates. Though the Company relies heavily on such parties for the successful execution of clinical trials and is ultimately responsible for their activities, many aspects of such activities are beyond the control of the Company. Third parties may not complete activities on schedule or may not conduct clinical trials in accordance with regulatory requirements or stated protocols, which may delay or otherwise have an adverse effect on the applicable clinical trials. Additionally, the Company has no control over the financial health of the third-party service providers retained by the Company to conduct clinical trials. Should one or more of such third-party service providers

become insolvent or otherwise not able to continue to provide services to us, the clinical trial(s) in respect of which such service provider participates could become delayed and the Company may be adversely affected.

Potential Limited Market for Common Shares

The fact that a large block of Common Shares is held by one shareholder may affect the volatility and liquidity of Common Shares because there are a limited number of shares available for trading by persons other than Mr. Eugene Melnyk. The value of Common Shares could be significantly affected by certain actions taken by Mr. Melnyk (or as discussed further below, certain lenders that the Company understands have the right to vote or sell the Common Shares beneficially owned by Mr. Melnyk as of the date hereof).

Dilution of Holders of Common Shares

The Company will likely issue additional equity securities to raise funds, thus reducing the ownership share of existing holders of Common Shares. Dilution may similarly be experienced by the grant of additional stock options pursuant to the 2011 stock option plan of the Company.

Intellectual Property Rights

The Company's commercial success depends, in part, on obtaining and maintaining patent protection, trade secret protection and regulatory protection of its proprietary technology and information in various jurisdictions around the world and operating without infringing on the proprietary rights of others. The Company is able to protect its proprietary technology and information from use by third parties only to the extent that valid and enforceable patents, trade secrets or regulatory protection cover them and the Company has exclusive rights to utilize them within its territories. The ability of the Company's licensors, collaborators and suppliers to maintain their patent rights against third party challenges to their validity, scope or enforceability will also play an important role in determining the Company's future.

If the Company is required to defend itself in any lawsuit related to its intellectual property rights, this could result in it incurring substantial costs and a diversion of management's attention, regardless of the merit of any such action. In addition, if the Company determines that litigation is necessary to enforce any of its proprietary rights against others, this could result in substantial expense and diversion of management attention, regardless of the outcome, and may not be resolved in the Company's favour. See also "Risks Related to the IP Agreement".

Ability to Expand Operations

The Company plans to expand its business by exploring opportunities for growth internationally, developing new products, and expanding its manufacturing capabilities. This expansion will place substantial demands on the Company's managerial, operational, technological and other resources. If the Company fails to manage the growth of its business effectively and efficiently, there may be material and adverse effects on its operations and its ability to capitalize on new business opportunities, either of which could materially and adversely affect its operating results.

Market Acceptance

The degree of market acceptance of the Company's products will depend on a number of factors, including: efficacy of the Company's products and any competitive products; the prices of the Company's products and any competitive products; and any side effects of the Company's products and any competitive products. Even if any of the Company's products are initially accepted by the market, sales may thereafter decline for a number of reasons, including the introduction of a competing product. The Company and its partners may need to demonstrate a significant advantage over competing products in order to support product pricing.

Healthcare professionals and patients may not accept the Company's products once commercialized. In order to successfully commercialize the Company's products, it will be necessary to demonstrate to healthcare professionals and patients that such products afford benefits to patients that are cost-effective as compared to the benefits of alternative therapies, many of which may be more established than those of the Company. The degree of market acceptance of the Company's product candidates, if commercialized, will depend on a number of factors including, without limitation:

- the receipt of regulatory clearance of labeling claims for the uses being developed;
- the establishment and demonstration in the medical community of the safety and efficacy of the Company's product

candidates and their potential advantages over existing products;

- the timing of market entry relative to competitive treatments;
- the relative cost, convenience, product dependability and ease of administration;
- the prevalence and severity of any adverse side effects in clinical trials or commercial use;
- the adequacy and effectiveness of the Company's production, distribution and marketing capabilities and those of any commercial partner;
- the sufficiency of coverage and reimbursement of product candidates by governmental and other third party payors; and
- any product labeling or insert restrictions required by the FDA or regulatory authorities in other countries.

Cost of Products

The Company's ability to successfully market its products and product candidates, if regulatory approval is obtained, depends, in part, on whether appropriate reimbursement levels for the cost of the products and related treatments are obtained from payors such as government authorities, private health insurers and other organizations such as Health Maintenance Organizations, or HMOs, and Managed Care Organizations, or MCOs. Payors increasingly challenge the pricing and cost effectiveness of pharmaceutical products and such challenges could affect the Company's commercial partners' ability to sell its products and may have a material adverse effect on its business, results of operations and financial condition. The Company's products and product candidates may not be reimbursable by third party payors, or may not be considered cost-effective and not adequately reimbursed at price levels to maintain profitability.

Uncertainty exists about the reimbursement status of newly approved pharmaceutical products. Reimbursement or co-pay levels in the United States and other countries may not be available for some of the Company's products. Any reimbursement granted may not be maintained or limits on reimbursement available from third party payers may reduce demand for, or negatively affect the price of, those products. These issues could have a material adverse effect on the Company's business, results of operations and financial condition. The Company is unable to predict if additional legislation or regulation impacting the healthcare industry or third party coverage and reimbursement may be enacted in the future, or what effect such legislation or regulation would have on the Company's business.

Competition

The pharmaceutical industry is intensely competitive in all phases and the Company competes with other companies that have greater research and development, manufacturing, marketing, sales, distribution, financial and managerial resources than the Company and many of such companies may have products and product candidates that are on the market or in a more advanced stage of development that the Company's product candidates. Competition could adversely affect the Company's results of operations, business and prospects.

For example, if a new drug or drug delivery platform was developed that was significantly more effective and efficient in the treatment of hypogonadism, or if the medical industry determined that another pre-existing product was significantly more effective or efficient in the treatment of hypogonadism, this could significantly affect the potential profitability of CompleoTRT™, and could have a material adverse effect on the business, operations, financial condition and anticipated cash flows of the Company.

Additionally, subject to any exclusivity protection that may be available, the products of the Company may be susceptible to competition from generic manufacturers. Generic manufactures taking advantage of the Abbreviated New Drug Application Procedure of the FDA are not required to conduct the same degree of costly and time-consuming clinical trials to establish the safety and efficacy of their products, and are instead permitted to rely on the innovator's data in this regard. Accordingly, generic manufacturers are often able to sell their products at prices that are much lower than those charged by innovators.

Reliance on Licensor(s) to Maintain Patent Rights

The Company's commercial success also depends, in part, on maintaining and defending patent rights related to products that the Company may market in the future. Since the Company may not fully control the patent prosecution of any licensed patent applications it is possible that the licensors will not devote the same resources or attention to the prosecution of the licensed patent applications as the Company would if it controlled the prosecution of the applications. The licensors may also not pursue and successfully prosecute, enforce or defend any potential patent infringement or invalidity claim, may fail to maintain their issued patents or prosecute or maintain their patent applications, or may pursue any litigation less aggressively than the Company would. Consequently, the resulting patent protection, if any, may not be as strong or comprehensive, which could have a material adverse effect on the Company. See also "Risks Related to the IP Agreement".

Manufacturing-Related Risks

The Company has relied and will continue to rely on having its own properly validated, fully functioning, and sufficiently sized manufacturing operations or those of third party contractors engaged by the Company to support its current and near-term manufacturing needs. If the Company is not able to scale-up manufacturing operations or secure suitable third party manufacturing contractors to meet the drug quantities required to support large clinical trials or commercial manufacturing in a timely manner or at a reasonable cost, the Company may risk delaying its clinical trials or regulatory approvals and potentially breaching its obligations under future out-licensing agreements or other commercialization arrangements. Similarly, should systems fail, or a disaster strike, the ability to produce products would be negatively affected, which in turn, would also adversely affect the Company's business.

While the Company has manufacturing capacity for its testosterone based bioadhesive intranasal products with a third party manufacturer, were such facilities to become unavailable for any reason, finding substitute facilities that are properly qualified to handle controlled substances may prove difficult and/or result in a significant delay in manufacturing product. Similarly, finding initial backup facilities that are appropriately qualified for its remaining products may also be problematic. Additionally, while the Company has or will have contractual rights in regards to its relationship with such third party manufacturer (and other third party manufacturers the Company has engaged or may in the future engage), such rights may not be adequate and sufficient to ensure the Company's access to materials is protected and that appropriate manufacturing standards are adhered to. Pharmaceutical manufacturing involves significant risks and uncertainties related to the demonstration of adequate stability, sufficient purification of drug products, the identification and elimination of impurities, optimal formulations, process validation and challenges in controlling for all of these factors.

To date, the Company's product candidates have been manufactured exclusively in small quantities for clinical trials. Future clinical trials and any commercial sales of the Company's products (upon receipt of the necessary regulatory approvals) will require the production of increased quantities. Significant scale-up of manufacturing capabilities by the Company and/or its third party contractors must occur. If the Company or its third party-contractors are unable to successfully increase manufacturing capacity for a given product to necessary levels, product shortages could result.

Supplier Risks

The Company may face limited supplies of critical materials or manufacturing components that may only be obtained from a single or limited number of suppliers. This could result in production delays, substantial lost revenue opportunity, clinical trial delays or contract liability to third parties. Any interruption in the supply of single source components could cause the Company to seek alternative sources of supply or to manufacture such components internally, which may impose considerable delays on the production of the Company's products and product candidates. If the supply of necessary components is interrupted, components from alternative suppliers may not be available in sufficient volumes or at acceptable quality levels within required timeframes, if at all, to meet the needs of the Company.

Uncertainty of Intellectual Property Protection

The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal and factual questions that include unresolved principles and issues. Patent applications owned or licensed by the Company may not be approved or approved as desired. Inconsistent policies regarding the breadth of claims allowed in such companies' patents have emerged to date in Canada and the United States, and the patent situation outside Canada and the United States is even more uncertain. As a result, the Company's scope of intellectual property rights may not successfully prevent third parties from developing similar or competitive products. Changes in either intellectual property laws or in interpretations of intellectual property laws in Canada, the United States or other countries may diminish the value of the Company's

intellectual property rights. Therefore, the Company cannot predict with any certainty the scope of its intellectual property rights, including its patent claims that may be allowed or enforceable in its patents or in-licensed patents.

Risk of Third Party Claims for Infringement

The Company is not aware that any of its products in development infringe the proprietary rights of third parties. However, third parties may have filed patent applications, or hold issued patents, relating to products competitive with those the Company is currently developing. There can be no assurance that third parties will not claim infringement with respect to current or future products or processes. If any Trimel products or future product candidates are found to infringe a valid claim of a third party patent, the Company would need either to obtain a license under such patent or obtain a court judgment that such patent claims are invalid. The defence of intellectual property rights, including patent rights through lawsuits would be costly and could divert our technical and management personnel from their normal responsibilities, and the Company may not have sufficient financial resources to conduct such defence. Settlement of such a dispute may require the Company to stop developing product candidates, stop selling products or enter into royalty or licensing agreements which may or may not be available on terms acceptable to the Company, if at all. The failure to do any of the foregoing may have a material adverse effect on the Company.

Public Market; Possible Volatility of Share Price

No assurance can be given regarding the liquidity of any public market for Common Shares. The market prices for securities of drug delivery, biotechnology and pharmaceutical companies have historically been highly volatile. The market price of Common Shares can be subject to wide fluctuations in response to, among other things, variations in operating results, the Company's ability to execute its business plan, competition and other events or factors. Trading prices of the Common Shares may be influenced by many factors, including, without limitation:

- investor perception of the Company;
- market conditions relating to the Company's segment of the pharmaceutical industry or the securities markets in general;
- research analyst recommendations and the Company's ability to meet or exceed performance expectations of analysts or investors;
- failure of any of the Company's third party collaborators to successfully market and successfully commercialize any of the Company's product candidates;
- adverse results or delays in any clinical or non-clinical trials;
- announcements of FDA or other governmental authority approval or non-approval of products in the Company's product pipeline;
- the results of pre-clinical testing and clinical studies or trials by competitors to the Company;
- sales of Common Shares by the Company's principal shareholder (or any lenders thereto), or the perception that such sales may occur;
- changes in government regulations or patent decisions; and
- general market conditions.

Limited Operating History and Sales

The Company is at an early stage of development of its technologies and product candidates. It has only recently completed the pivotal Phase III trial for CompleoTRT™ and, accordingly, has not begun to market or generate revenues from the commercialization of its products. Outside of CompleoTRT™, the Company's remaining products will require significant additional clinical testing and/or investment prior to commercialization. A commitment of substantial resources by the Company to conduct time-consuming research and clinical trials will be required if it is to complete the development of its remaining product candidates. There can be no assurance that any of the Company's product candidates will meet applicable

regulatory standards, obtain required regulatory approvals, be capable of being produced in commercial quantities at reasonable costs or be successfully marketed. With the exception of CompleoTRT™, the majority of the Company's product candidates are not expected to be commercially available for several years, if at all.

Reliance on Trade Secrets

The Company will rely on trade secrets to protect its technology, especially where the Company does not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. While the Company seeks to protect confidential information, in part, through confidentiality agreements with employees, consultants, contractors, or scientific and other advisors and other parties, they may unintentionally or wilfully disclose the Company's confidential information to competitors. Additionally, the Company cannot guarantee that any such agreements will provide meaningful protection, that these agreements will not be breached, or that the Company will have an adequate remedy for any such breach. Enforcing a claim against a third party related to the illegal acquisition and use of trade secrets can be expensive and time consuming, and the outcome is often unpredictable. Others may independently develop substantially equivalent proprietary information without violating the Company's rights. If the Company is not able to maintain patent or trade secret protection on its technologies and product candidates, then the Company may not be able to exclude competitors from developing or marketing competing products, and the Company may not able to generate revenue.

Rapid Technological Change; New Products and Standards

The pharmaceutical industry is characterized by rapid technological change, frequent new product and services introductions embodying new technologies and emergence of new industry standards and practices that could render the Company's existing products and system obsolete. The Company's products and services embody complex technology and may not always be compatible with current and evolving technical standards and products developed by others. Failure or delays by the Company to meet or comply with the requisite and evolving industry or user standards could have a material adverse effect on its business, results of operations and financial condition.

Trimel has not received regulatory approval for any product that uses any of its drug delivery technologies

The Company must receive regulatory approval of a product candidate before it can be commercialized. The development required to take a technology from its earliest stages to its incorporation in a product that is sold commercially can take many years and cost a substantial amount of money. The Company's drug delivery technologies can be quite complex, with many different components. Any particular technology may not perform in the same manner when used with different therapeutic agents and, therefore, these technologies may not prove to be as useful or valuable as originally thought, resulting in additional development work. Delays or unanticipated increases in costs of development at any stage, or failure to solve a technical challenge, could adversely affect the Company's operating results.

The development and manufacturing of any product candidate developed independently or in collaboration with third parties, as well as the distribution, marketing and record keeping of such product candidate, are regulated by numerous federal, state, provincial and local governmental authorities, principally the FDA in the United States, and other similar agencies in other countries. The procedures for obtaining marketing approval of a new product candidate vary among countries, and in the United States these procedures vary depending on such factors as the novelty of the drug and its intended use. The development and regulatory approval process in each jurisdiction takes many years, requires the expenditure of substantial resources, is uncertain and subject to delays. In addition, approval by a regulatory authority of one country does not ensure the approval by regulatory authorities of other countries.

Many factors could delay the Company's receipt of revenues from the commercialization of its product candidates. Failure to obtain regulatory approval, any delay or setback in obtaining regulatory approval or limitation on drug use required as a condition of approval could: adversely affect the Company's ability to market any drugs developed independently or with partners; affect the Company's ability to negotiate partnership and other agreements; impose additional costs and diminish any competitive advantages that the Company may attain; or adversely affect the Company's ability to generate product sales and/or royalties based on these sales.

To the extent it is permitted to do so, the Company plans to submit NDAs to market certain of its eligible products in the United States under Section 505(b)(2) of the United States Federal Food, Drug, and Cosmetic Act. Section 505(b)(2) permits the Company to rely for approval on studies that the Company has not conducted and for which the Company has no ownership interest or right of reference. It is possible that the FDA will not concur with the submission for market approval under the provisions of Section 505(b)(2), which may require the Company to generate additional data in support of an NDA which will involve significant additional expense and delay. Even a submission under the provisions of Section 505(b)(2)

will require the Company to submit data from its own clinical studies to demonstrate both safety and efficacy of its products. There is no assurance that the FDA will agree that the data the Company will submit meets FDA requirements.

Extensive Government Regulation

Government regulation is a significant factor in the production and marketing of the Company's products. Research and development, testing, manufacture, marketing and sales of pharmaceutical products or related products are subject to extensive regulatory oversight, often in multiple jurisdictions, which may cause significant additional costs and/or delays in bringing products to market, and in turn, may cause significant losses to investors. The regulations applicable to the Company's product candidates may change. Even if granted, regulatory approvals may include significant limitations on the uses for which products can be marketed or may be conditioned on the conduct of post-marketing surveillance studies. Failure to comply with applicable regulatory requirements can, among other things, result in warning letters, the imposition of civil penalties or other monetary payments, delay in approving or refusal to approve a product candidate, suspension or withdrawal of regulatory approval, product recall or seizure, operating restrictions, interruptions of clinical trials or manufacturing, injunctions or criminal prosecution. In addition, regulatory agencies many not approve the labeling claims that are necessary or desirable for the successful commercialization of the Company's product candidates.

Requirements for regulatory approval vary widely from country to country. Whether or not approved in the United States, regulatory authorities in other countries must approve a product prior to the commencement of marketing the product in those countries. The time required to obtain any such approval may be longer or shorter than in the United States. Approved drugs, as well as their manufacturers, are subject to continuing and ongoing review, and discovery of problems with these products or the failure to adhere to manufacturing or quality control requirements may result in regulatory restrictions being imposed.

In particular, testosterone, the active ingredient in both the Company's product candidate CompleoTRT™ for treatment of male hypogonadism and Tefina™ for the treatment of female orgasmic disorder, is a controlled substance subject to regulatory controls. The Company may be unable to obtain regulatory approvals for its products or may be required to expend additional resources or there may be significant delays to secure such approvals on favourable terms. Additionally, any such approvals may impose considerable restrictions and conditions on the Company with respect to the manufacturing, distribution and production of its applicable products, which may result in additional expenses being required to be incurred.

Potential Liability

Pharmaceutical companies may be exposed to potential clinical trial liability, environmental liability, product liability and other risks that are inherent in the testing, manufacturing and marketing of their products. These liabilities, if realized, could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company carries clinical trial liability insurance coverage in such amounts as is believed to be sufficient for its business. However, it cannot be assured that any such coverage will be sufficient to satisfy any liabilities as they arise. As the Company's development activities progress towards the commercialization of product candidates, this coverage may not be adequate, and the Company may not be able to obtain adequate product liability insurance coverage at a reasonable cost, if at all. Even if the Company obtains product liability insurance, its financial position may be materially adversely affected by a product liability claim. A product liability claim could also significantly harm the Company's reputation and delay market acceptance of its product candidates.

Additionally, product recalls may be issued at the direction of the FDA, other government agencies or other companies having regulatory control for pharmaceutical sales. The Company cannot assure that product recalls will not occur in the future or that, if such recalls occur, such recall will not adversely affect its business, financial condition or reputation.

Raw Material Exposure

The Company utilizes a number of raw materials which are subject to price fluctuations beyond its control. Market price fluctuations of these raw materials could have a material adverse effect on the Company's financial condition and results of operations. There can be no assurance that the price of the Company's raw materials will not increase in the future. A significant increase in the price of raw materials could have a material adverse effect on the Company.

Indemnity Agreements and Indemnity Arrangements

All directors and/or officers of the Company, and each of its various subsidiary entities, are indemnified by the Company for various items including, but not limited to, all costs to settle lawsuits or actions due to their association with the Company, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential future lawsuits or actions. The term of the indemnification is not explicitly defined, but is limited to events for the period during which the indemnified party served as a director or officer of the applicable Company entity. The maximum amount of any potential future payment cannot be reasonably estimated but could have a material adverse effect on the Company.

In the normal course of business, the Company has entered into agreements that include indemnities in favour of third parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, leasing contracts, license agreements, information technology agreements and various product, service, data hosting and network access agreements. These indemnification arrangements may require the applicable Trimel entity to compensate counterparties for losses incurred by the counterparties as a result of breaches in representations, covenants and warranties provided by the particular Trimel entity or as a result of litigation or other third party claims or statutory sanctions that may be suffered by the counterparties as a consequence of the relevant transaction. The terms of these indemnities are not explicitly defined. The applicable Trimel entity, whenever possible, tries to limit this potential liability within the particular agreement or contract, but due to the unpredictability of future events the maximum amount of any potential reimbursement by the Company or its subsidiary entities cannot be reasonably estimated, but could have a material adverse effect on the Company.

Tax-related Risks

The Company and its subsidiaries have operations in more than one country that have differing tax laws and rates. A significant portion of the Company's revenue and income is expected to be earned by Trimel Holdings and Trimel SRL in a foreign country that has low domestic tax rates, and dividends from such after-tax business income are expected to be received tax-free in Canada. The Company's and its subsidiaries' income tax reporting is subject to audit by domestic and foreign authorities. In the future, the Company's effective tax rate may change from year to year based on changes in the mix of activities and income allocated or earned among the jurisdictions in which it operates; changes in tax laws in these jurisdictions; changes in the tax treaties entered into by the countries in which it operates; changes in eligibility for benefits under those tax treaties; and changes in the estimated values of deferred tax assets and liabilities. Such changes may result in an increase in the effective tax rate on all or a portion of the income of the Company and/or any of the Company's subsidiaries to a rate possibly exceeding the statutory income tax rate of Canada.

The amount of income tax required to be paid by the Company and/or its subsidiaries will be affected by the amount of net income earned in the relevant operating jurisdictions, the structure of its operations, the availability of benefits under tax treaties, and the rates of taxes payable in respect of that income. The Company must make estimates and judgments based on its knowledge and understanding of applicable tax laws and tax treaties, and the application of those tax laws and tax treaties to its business, in determining its consolidated tax provisions. For example, certain countries may seek to tax a greater share of income than has been determined and provided for. The final outcome of any audits by taxation authorities may differ from the estimates and assumptions used in determining the tax treatment by the Company and/or its subsidiaries as well as the consolidated tax provisions and accruals. This may result in a material adverse effect on the consolidated income tax provision, financial condition and the net income for the period in which such determinations are made.

The Company does not intend to pay any cash dividends on Common Shares

The Company does not expect to pay dividends in the foreseeable future. Additionally, the Company is presently, and may in the future become, subject to restrictions on the payment of any dividends or distributions to shareholders pursuant to the terms and conditions of the agreements relating to its indebtedness. If the Company generates earnings in the near term, management expects that such earnings will be retained to finance further growth and, when appropriate, retire debt. The Company's board of directors will determine if and when dividends should be declared and paid in the future based on the financial position of the Company and other factors relevant at the particular time. Until dividends are paid, which may never happen, Trimel shareholders will not be able to receive a return on their investment unless and until they sell their Common Shares.

Location of assets may make enforcement of judgments difficult

The Company holds its assets and operates its business through its subsidiaries located in Barbados. Such assets may also be physically located in other jurisdictions around the world. The shareholders of the Company will not have the same rights and remedies available under Canadian law against the subsidiaries of the Company that they would have directly against the Company. The recognition and enforcement in Barbados (or such other location where the assets of the Company or its subsidiaries are located) of a judgment of a Canadian court against the Company or its subsidiaries may be difficult and the Company's shareholders may have more difficulty in protecting their interests with respect to the Company than would shareholders of a corporation with assets principally located in Canada.

Ability to Generate Additional Ancillary Revenue

The Company continues to pursue ancillary revenue generation opportunities. The Company's ability to achieve its business objectives may depend in part on its success in increasing these revenue streams. The Company cannot guarantee that it will be able to effectively generate additional ancillary revenue and the Company's inability to do so could have an adverse effect on its business and results of operations.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to Trimel, and Torys LLP, counsel to the Underwriters, the following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) ("Tax Act") generally applicable to an investor who acquires Common Shares (including Warrant Shares) and Warrants (collectively, the "Securities") pursuant to this Offering. This summary is based on the facts set out in this short form prospectus, the current provisions of the Tax Act, the regulations thereunder, all specific proposals to amend the Tax Act and the regulations publicly announced by the Government of Canada prior to the date hereof (the "Proposed Amendments"), and counsel's understanding of administrative policies and assessing practices of the Canada Revenue Agency ("CRA") made public prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not otherwise take into account any changes in law, whether by legislative, governmental or judicial action, nor does it take into account or consider any provincial, territorial or foreign income tax considerations. The summary assumes that any Proposed Amendments will be enacted as proposed, although there can be no assurance that the Proposed Amendments will be enacted in their current form or at all.

This summary applies only to an investor who acquires Securities pursuant to this Offering and who, for the purposes of the Tax Act and at all relevant times, (i) is resident or deemed to be resident in Canada, (ii) will hold such Securities as capital property, (iii) deals at arm's length with the Company and the Underwriters, and (iv) is not affiliated with the Company or any of the Underwriters. Investors who meet all of the foregoing requirements are referred to as "Investor" or "Investors" in this summary.

Generally, the Securities will be considered capital property to an Investor provided such Investor does not acquire or hold such Securities in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain investors to whom Common Shares might not constitute capital property may, in certain circumstances, make an irrevocable election permitted by subsection 39(4) of the Tax Act to have the Common Shares, and all other "Canadian securities" as defined in the Tax Act, held by such persons in the taxation year of the election and in all subsequent years deemed to be capital property. This election does not apply to Warrants. Investors should consult their own tax advisors regarding this election.

In addition, this summary does not extend to Investors that are "financial institutions" for purposes of the mark-to-market property rules or "specified financial institutions", Investors that have elected to report their "Canadian tax results" in a currency other than Canadian currency, or any Investor an interest in which would be a "tax shelter investment" (all as defined for the purposes of the Tax Act). Additional considerations, not discussed herein, may be applicable to an Investor that is a corporation resident in Canada and is, or becomes, controlled by a non-resident corporation for the purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. All such investors should consult their own tax advisors for advice.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. This summary is not exhaustive of all Canadian federal income tax considerations applicable to a prospective investor acquiring Securities pursuant to the Offering. Accordingly, all prospective investors (including Investors as defined above) are urged to consult their own tax advisors with respect to their particular circumstances.

Allocation of Purchase Price

The purchase price of each Unit offered hereby must be allocated, on a reasonable basis, between the underlying Common Share and the underlying one-half of one Warrant in order to determine their respective cost to the Investor for the purposes of the Tax Act. The adjusted cost base to an Investor of a Common Share acquired pursuant to the Offering will be determined by averaging the cost of that Common Share with the adjusted cost base (determined immediately before the acquisition of the Common Share) of all other Common Shares held by the Investor as capital property immediately before the acquisition. For its purposes, the Company intends to allocate $● of the Offering Price as consideration for the issue of each Common Share and $● of the Offering Price as consideration for the issue of one-half of one Warrant. Although the Company believes that this allocation is reasonable, it is not binding on the CRA or an Investor, and counsel express no opinion with respect to such allocation.

Exercise of Warrants

An Investor will not realize a gain or a loss on the exercise of a Warrant. When a Warrant is exercised, the Investor's cost of the Warrant Share acquired thereby will be the aggregate of the Investor's adjusted cost base of the Warrant and the exercise price paid on the exercise of the Warrant. This amount must generally be averaged with the adjusted cost base of all other Common Shares held by the Investor as capital property immediately before such exercise to determine the adjusted cost base of all Common Shares held by an Investor at that time.

Expiry of Warrants

The expiry of an unexercised Warrant will generally result in a capital loss to the Investor equal to the adjusted cost base of the Warrant immediately prior to the expiry. The tax treatment of capital losses is described in greater detail below under "Treatment of Capital Gains and Capital Losses".

Disposition of Common Shares or Warrants

A disposition or a deemed disposition by an Investor of a Common Share (including a Warrant Share) other than to the Company, or of a Warrant (other than on the exercise thereof), will give rise to a capital gain (or a capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition of the Common Share or Warrant, as the case may be, net of any reasonable costs of disposition, exceed (or are less than, respectively) the Investor's adjusted cost base of the Common Share or Warrant, as the case may be. The tax treatment of capital gains and capital losses is described in greater detail below under "Treatment of Capital Gains and Capital Losses".

Treatment of Capital Gains and Capital Losses

In the taxation year of disposition, an Investor generally will be required to include one-half of the amount of any capital gain (a taxable capital gain) in computing its income for such taxation year, and must deduct one-half of the amount of any capital loss (an allowable capital loss) against any taxable capital gains realized by the Investor in such taxation year. Any excess of allowable capital losses over taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

A "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on certain investment income, including taxable capital gains.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share (including a Warrant Share) by an Investor that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such Common Share to the extent and in the circumstances prescribed by the Tax Act. Similar rules may apply where an Investor that is a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares, and where Common Shares are owned by a partnership or trust of which a partnership or trust is a member or beneficiary. Investors to whom these rules may be relevant should consult their own tax advisors.

Dividends

Dividends received or deemed to have been received by an Investor on Common Shares (including Warrant Shares), if any, must be included in computing the Investor's income. In the case of an Investor who is an individual, such dividends

will generally be subject to the gross-up and dividend tax credit rules applicable to dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit provisions if the Company provides notice to the recipient designating the dividend as an "eligible dividend". There may be limitations on the ability of the Company to designate dividends as "eligible dividends", and the Company has not committed itself to making such designation. An Investor that is a corporation will include dividends received or deemed to be received in computing its income in the taxation year of receipt and will generally be entitled to deduct the amount of such dividends in computing the corporation's taxable income, subject to all of the restrictions applicable under the Tax Act.

An Investor that is a "private corporation" or a "subject corporation", as defined in the Tax Act, will also generally be liable to pay a tax (refundable in certain circumstances) at the rate of $33^{1}/_{3}$% on dividends received (or deemed to have been received) on Common Shares to the extent such dividends are deductible in computing its taxable income.

Minimum Tax

Capital gains realized and dividends received by an Investor who is an individual or a trust (other than certain types of specified trusts), may give rise to minimum tax under the Tax Act. Investors should consult their own tax advisors with respect to the application of minimum tax.

EXEMPTIONS FROM THE INSTRUMENT

Pursuant to section 58(5) of the *Securities Act* (Ontario) (the "Act") and Part 8 of National Instrument 44-101, the Company has applied for relief from the requirements under section 58(1) of the Act and Section 5.11 of National Instrument 41-101, which require a promoter of the Issuer to sign a certificate in this short form prospectus, as such requirements may apply to Mr. Melnyk. Mr. Melnyk is subject to an order of the Ontario Securities Commission dated May 5, 2011 pursuant to which he is prohibited from acting as a director or officer of a reporting issuer or any subsidiary of a reporting issuer (each a "Specified Issuer") for a period of five years from the date of the order (the "Order"). The Order also enumerates certain specific activities in which Mr. Melnyk may not engage with respect to any Specified Issuer during such five year period. Mr. Melnyk has advised Trimel that he has been in compliance with the Order since the date it was issued and continues to be in compliance with the Order. As a condition of listing on the TSX, the board of directors of Trimel is required to file on a quarterly and confidential basis with the TSX, a confirmation that it is not aware of any breach or circumstance in which Mr. Melnyk has attempted to breach the Order. The board of directors of Trimel has filed such quarterly confirmations on a timely basis. As of the date of this short form prospectus, Trimel is not aware of any breach or circumstance in which Mr. Melnyk has attempted to breach the Order.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Trimel are PricewaterhouseCoopers LLP, Chartered Accountants. The transfer agent and registrar for the Common Shares is Equity Financial Trust Company.

LEGAL MATTERS

Certain legal matters in connection with this Offering will be passed upon by Stikeman Elliott LLP on behalf of Trimel and by Torys LLP on behalf of the Underwriters. As at the date hereof, the partners and associates of Stikeman Elliott LLP, as a group, and the partners and associates of Torys LLP, as a group, each beneficially own, directly or indirectly, less than one percent of the outstanding common shares of Trimel.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, counsel to Trimel, and Torys LLP, counsel to the Underwriters, as of the date hereof and based on the current provisions of the Tax Act, provided that the Common Shares (including the Warrant Shares) are listed on a designated stock exchange (which currently includes the TSX), the Common Shares and Warrant Shares, if issued on the date hereof, would be qualified investments for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a deferred profit sharing plan, a registered education savings plan, a tax-free savings account ("TFSA"), or a registered disability savings plan (collectively, "Registered Plans"). In addition, provided that the Warrants are listed on a designated stock exchange (which currently includes the TSX), and Trimel deals at arm's length with each person who is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of a Registered Plan, as well as any person who does not deal at arm's length with that person, the Warrants, if issued on the date hereof, would be qualified investments on the date hereof for Registered Plans.

Notwithstanding the foregoing, a holder of a TFSA or annuitant under a RRSP or RRIF, as applicable, will be subject to a penalty tax in respect of Common Shares, Warrant Shares, or Warrants held in the TFSA, RRSP or RRIF, as applicable, if such Securities are "prohibited investments" under the Tax Act for such Registered Plan. The Common Shares, Warrant Shares and Warrants generally will not be "prohibited investments" unless the holder or annuitant, as the case may be, (i) does not deal at arm's length with Trimel for purposes of the Tax Act, or (ii) has a "significant interest" as defined in the Tax Act (A) in Trimel or (B) in a corporation, partnership or trust with which Trimel does not deal at arm's length for purposes of the Tax Act. Proposed Amendments released on December 21, 2012 (the "December 2012 Proposals") propose to delete condition (ii)(B) above. In addition, pursuant to the December 2012 Proposals, the Common Shares and Warrant Shares will not be a "prohibited investment" if such shares are "excluded property" as defined in the December 2012 Proposals.

Prospective purchasers who intend to hold Common Shares, Warrant Shares or Warrants in a TFSA, RRSP or RRIF should consult their own tax advisors regarding their particular circumstances.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some provinces, revisions of the price or damages if the short form prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE COMPANY

Dated: April 3, 2013

This amended and restated short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated short form prospectus as required by the securities legislation of each of the provinces of Canada, except Québec.

(Signed) TOM ROSSI	(Signed) KENNETH HOWLING
President and Chief Executive Officer	Chief Financial Officer

On Behalf of the Board of Directors

(Signed) JEFFREY SHERMAN	(Signed) JOHN FRIEDRICHSEN
Director	Director

CERTIFICATE OF THE UNDERWRITERS

Dated: April 3, 2013

To the best of our knowledge, information and belief, this amended and restated short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated short form prospectus as required by the securities legislation of each of the provinces of Canada, except Québec.

RBC DOMINION SECURITIES INC.

(Signed) CLAIRE STURGESS

Managing Director

TRIMEL
PHARMACEUTICALS