

AGENCY AGREEMENT

Effective as of June 5, 2020

Appili Therapeutics Inc.
#21 - 1344 Summer Street
Halifax, Nova Scotia
B3H 0A8

Attention: **Kimberly Stephens**
 Chief Financial Officer

The undersigned, Bloom Burton Securities Inc. (the “**Lead Agent**”), as lead agent, Mackie Research Capital Corporation, Industrial Alliance Securities Inc., Haywood Securities Inc. and Richardson GMP Limited (collectively with the Lead Agent, the “**Agents**” and each, an “**Agent**”), understand that Appili Therapeutics Inc. (the “**Corporation**”) proposes to issue and sell 11,250,000 units of the Corporation (the “**Offered Units**”) at a price of \$1.20 per Offered Unit (the “**Offering Price**”) for aggregate gross proceeds of \$13,500,000 (the “**Offering**”). Each Offered Unit will consist of one Common Share (as defined herein) (each, an “**Offered Share**”) and one-half of one transferable Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”). Each Warrant will entitle its holder to purchase one Common Share (each, a “**Warrant Share**”) at an exercise price of \$1.50, subject to adjustment in certain events, at any time on or before 5:00 p.m. (Toronto time) on the date that is 36 months after the Closing Date (as defined herein) (the “**Expiry Date**”). The offering of the Qualified Securities (as defined herein) by the Corporation is hereinafter referred to as the “**Offering**”.

The Corporation has prepared and filed a preliminary short form base shelf prospectus dated September 10, 2019 (the “**Preliminary Base Shelf Prospectus**”) and a final short form base shelf prospectus dated September 19, 2019 (the “**Final Base Shelf Prospectus**”) in respect of the offering of Class A common shares (“**Common Shares**”), Class B non-voting common shares (“**Non-Voting Shares**”), preferred shares (the “**Preferred Shares**”), warrants to purchase other securities, units comprising of one or more of the other securities, subscription receipts and debt securities in one or more offerings for an aggregate offering price of up to \$50,000,000 with the Nova Scotia Securities Commission (the “**Reviewing Authority**”) and the Canadian securities regulatory authorities (collectively, the “**Canadian Securities Regulators**”) in each of the Provinces of Canada other than Québec (the “**Qualifying Provinces**”); and the Reviewing Authority has issued a receipt under Multilateral Instrument 11-102 – *Passport System* (the “**Decision Document**”) by the Canadian Securities Regulator in each of Nova Scotia, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Prince Edward Island and Newfoundland and Labrador and that the Ontario Securities Commission has issued a receipt for each of the Preliminary Base Shelf Prospectus and the Final Base Shelf Prospectus. The term “**Base Prospectus**” means the Final Base Shelf Prospectus, including documents incorporated therein by reference, at the time the Reviewing Authority issued a Decision Document with respect thereto in accordance with the rules and procedures established under all applicable Securities laws in each of the Qualifying Provinces and the respective regulations and rules under such laws together with applicable published policy statements and instruments of the securities regulatory authorities in the Qualifying Provinces, including National Instrument 44-101 - *Short Form Prospectus Distributions* and National Instrument 44-102 - *Shelf Distributions* (together, the “**Shelf Procedures**”). The term “**Prospectus**” means the prospectus supplement (the “**Supplement**”) relating to the Offering, to be dated and filed with the Canadian Securities Regulators within two Business Days hereof in

accordance with the Shelf Procedures, together with the Base Prospectus, including all documents incorporated therein by reference.

The Agents propose to offer the Qualified Securities for sale, as sole and exclusive agents of the Corporation, on a best efforts basis, in the manner contemplated by this Agreement.

In connection with the Offering, the Agents shall be entitled to retain as sub-agents other registered securities dealers and may receive subscriptions for Offered Units from other registered securities dealers acceptable to the Corporation (each, a **"Selling Firm"**). The fee payable to such Selling Firm shall be for the account of, and paid for solely by, the Agents.

The Corporation has granted the Agents an option (the **"Agents' Option"**), exercisable in whole or in part at any time and from time to time until that date which is 30 days following the Closing Date (as herein defined) (the **"Option Expiry Date"**), to offer for sale such number of additional Offered Units (the **"Additional Units"**) that is equal to 15% of the number of Offered Units sold under the Offering and/or Warrants (the **"Additional Warrants"** and together with the Additional Units, the **"Additional Securities"**) that is equal to 15% of the number of Warrants issued under the Offering, solely to cover over-allotments, if any, and for market stabilization purposes. The Agents' Option may be exercised by the Agents in respect of: (i) Additional Units at the Offering Price; (ii) Additional Warrants at a price of \$0.155 per Additional Warrant; or (iii) any combination of Additional Units and/or Additional Warrants, so long as the aggregate number of Additional Warrants (including any Warrants forming part of the Additional Units) does not exceed 15% of the number of Warrants issued under the Offering (excluding Warrants issuable pursuant to the exercise of the Agents' Option). The Offered Units and the Additional Securities are sometimes collectively referred to herein as the **"Qualified Securities"**. The Common Shares that are included in the Additional Units are referred to herein as the **"Additional Offered Shares"** and the Common Shares issuable upon exercise of the Additional Warrants (including Warrants issuable as part of the Additional Units) are referred to herein as the **"Additional Warrant Shares"**.

It is understood that the Qualified Securities will be offered to Purchasers (as defined herein) resident in: (i) each of Qualifying Provinces; and (ii) non-Canadian jurisdictions as may mutually be agreed to in writing by the Corporation and the Agents, including the United States in accordance with Schedule A hereto (collectively with the Qualifying Provinces, the **"Selling Jurisdictions"**), on a private placement basis, provided that the Corporation is not required to file a prospectus, registration statement or other disclosure document or become subject to any other registration or obligation, including but not limited to any continuing obligations in such other jurisdictions, in each case in accordance with the provisions of this Agreement (as defined herein). With respect to the offer or sale of Qualified Securities to, or for the account or benefit of, persons in the United States (as defined herein) and U.S. Persons (as defined herein), the parties to this Agreement acknowledge and agree that the Agents may appoint duly registered U.S. broker-dealers to act as sub-agents to conduct offers and sales of the Qualified Securities to, or for the account or benefit of, persons in the United States and U.S. Persons that are U.S. Accredited Investors (as defined herein) and/or Qualified Institutional Buyers (as defined herein).

The parties acknowledge that the Qualified Securities have not been and will not be registered under the U.S. Securities Act (as defined herein) or the securities laws of any state of the United States and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons except pursuant to exemptions from the registration requirements of the U.S. Securities Act and the applicable laws of any state of the United States in the manner specified in this Agreement and pursuant to the representations, warranties, acknowledgments, agreements and covenants of the Corporation and the Agents contained in Schedule A hereto. Actions to be

undertaken by the Agents with respect to offers and sales of Qualified Securities to, or for the account or benefit of, persons in the United States and U.S. Persons shall be undertaken through a U.S. Placement Agent (as defined herein).

It is further understood that the Corporation proposes to issue and sell to certain pre-identified investors approximately 1,200,000 units of the Corporation (the “**Private Placement Units**”), on a private placement basis, for an aggregate purchase price of approximately \$1,440,000 as described in the Supplement (the “**Concurrent Private Placement**”). Each Private Placement Unit shall consist of one Common Share and one-half of one Common Share purchase warrant (exercisable on substantially the same terms as the Warrants). The Agents and the Corporation acknowledge and agree that no fee will be payable to the Agents in respect of the Concurrent Private Placement and that the Agents shall have no obligation or liability in respect of the Concurrent Private Placement, the closing of which is expected to occur concurrently or shortly following the closing of the Offering.

1. Interpretation

Unless expressly provided otherwise, where used in this Agreement or any schedule hereto, the following terms shall have the following meanings, respectively:

“**affiliate**”, “**associate**”, “**distribution**”, “**material change**”, “**material fact**” and “**subsidiary**” have the respective meanings given to them in the *Securities Act* (Nova Scotia);

“**Additional Offered Shares**” has the meaning given to it in the fifth paragraph of this Agreement;

“**Additional Securities**” has the meaning given to it in the fifth paragraph of this Agreement;

“**Additional Units**” has the meaning given to it in the fifth paragraph of this Agreement;

“**Additional Warrant Shares**” has the meaning given to it in the fifth paragraph of this Agreement;

“**Additional Warrants**” has the meaning given to it in the fifth paragraph of this Agreement;

“**Agent**” and “**Agents**” have the respective meanings given to them in the first paragraph of this Agreement;

“**Agents’ Commission**” has the meaning given to it in Section 11;

“**Agents’ Counsel**” means McCarthy Tétrault LLP;

“**Agents’ Option**” has the meaning given to it in the fifth paragraph of this Agreement;

“**Agents’ Option Notice**” has the meaning given to it in Section 12;

“**Agreement**” means this agreement, as it may be amended, modified or supplemented from time to time in accordance with its terms;

“**Applicable IP Laws**” means all applicable federal, provincial, state, local and other laws and regulations applicable to Intellectual Property in all jurisdictions in which the Corporation has registered Intellectual Property;

“Applicable Securities Laws” means, collectively, and, as the context may require, the securities laws of each of the Qualifying Provinces and the respective regulations and rules made under those securities laws together with all applicable published policy statements, blanket orders and rulings of the Canadian Securities Regulators and all published discretionary orders or rulings, if any, of the Canadian Securities Regulators applicable to the transactions contemplated by this Agreement, and U.S. Securities Laws;

“Auditors” means PricewaterhouseCoopers LLP, the auditors of the Corporation;

“Base Prospectus” has the meaning given to it in the second paragraph of this Agreement;

“Broker Warrant Certificates” means the certificates representing the Broker Warrants;

“Broker Warrants” has the meaning given to it in Section 11;

“Broker Warrant Shares” has the meaning given to it in Section 11;

“Business Day” means a day that is not a Saturday, a Sunday or a statutory or civic holiday in Halifax, Nova Scotia, or Toronto, Ontario;

“Canadian Securities Regulators” has the meaning given to it in the second paragraph of this Agreement;

“Carrying Broker” has the meaning given to it in Section 21;

“CBCA” means the *Canada Business Corporations Act*;

“CDS” has the meaning given to it in subsection 13(b);

“CFPOA” means the *Corruption of Foreign Public Officials Act (Canada)*;

“CIPO” means the Canadian Intellectual Property Office;

“Claims” has the meaning given to it in Section 16;

“Closing” means the completion of the initial issue and sale by the Corporation of the Qualified Securities pursuant to this Agreement;

“Closing Date” means June 10, 2020 or such other date as the Corporation and the Lead Agent may agree upon in writing;

“Closing Time” means 8:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Corporation and the Lead Agent, on behalf of the Agents, may agree;

“Common Shares” has the meaning given to it in the second paragraph of this Agreement;

“comparables” has the meaning given to it in NI 41-101;

“Concurrent Private Placement” has the meaning given to it in the eighth paragraph of this Agreement;

“Contract” means any written or oral agreement, indenture, contract, lease, sublease, deed of trust, licence, option, or other legally enforceable obligation of or in favour of the applicable person;

“Corporation” has the meaning given to it in the first paragraph of this Agreement;

“Corporation IP” means the Intellectual Property that has been developed by or for or is being developed by or for the Corporation or that is being used by the Corporation, other than Licensed IP;

“Corporation’s Counsel” means Dentons Canada LLP;

“COVID-19 Outbreak” means the novel coronavirus disease (COVID-19) outbreak;

“Decision Document” has the meaning given to it in the second paragraph of this Agreement;

“Documents Incorporated by Reference” means the documents that are incorporated by reference into the Prospectus or any Prospectus Amendment;

“Due Diligence Sessions” has the meaning given to it in subsection 3(c);

“Environmental Laws” has the meaning given to it in subsection 9(iii);

“Expiry Date” has the meaning given to it in the first paragraph of this Agreement;

“FDA” has the meaning given to it in subsection 9(k);

“Final Base Shelf Prospectus” has the meaning given to it in the second paragraph of this Agreement;

“Financial Information” means the audited financial statements of the Corporation for the years ended March 31, 2019 and 2018, management’s discussion and analysis of the Corporation for the year ended March 31, 2019, the Corporation’s unaudited condensed interim financial statements for the three and nine months ended December 31, 2019 and the Corporation’s management’s discussion and analysis for the three and nine months ended December 31, 2019;

“GST” has the meaning given to it in Section 11;

“Hazardous Substances” has the meaning given to it in subsection 9(iii);

“Indemnified Party” and **“Indemnified Parties”** have the respective meanings given to them in Section 16;

“Intellectual Property” means:

- (a) any trademarks, trade names, business names, brand names, service marks, computer software (including source code and object code), computer programs, compositions, configurations, copyrights, including any performing, author or moral rights, designs, developments, drawings, inventions, patents, franchises, formulae, processes, know-how, trade secrets, compositions, processes, prototypes, plans, procedures, techniques, technology and related goodwill and any other similar other intellectual or industrial property and includes any rights to the foregoing; and

- (b) all registrations (including all reissues, continuations, continuations-in-part, revisions, extensions, divisionals, and reexaminations thereof) and applications for registration with respect to any of the foregoing, together with all rights to apply for registrations, certificates, or renewals with respect to any of the foregoing;

“knowledge of the Corporation” or **“Corporation’s knowledge”** or similar expressions means to the actual knowledge of the Chief Executive Officer and Chief Financial Officer of the Corporation, after due inquiry;

“Laws” means any federal, provincial, state, municipal, domestic or foreign law, statute, ordinance, regulation, rule, by-law, judgment, decree, order or award of any authority having jurisdiction over the Corporation or the Agents, as applicable;

“Lead Agent” has the meaning given to it in the first paragraph of this Agreement;

“Leased Premises” means the premises which are used or otherwise occupied by the Corporation and which the Corporation uses or occupies, as applicable, as tenant, sub-tenant, leasee, subleasee or otherwise;

“Licensed IP” means the Intellectual Property which the Corporation uses and is owned by another person;

“marketing materials” has the meaning given to it in NI 41-101;

“material adverse effect” means an effect which is materially adverse to the business, assets, financial condition, liabilities or consolidated results of operations of the Corporation;

“misrepresentation” means:

- (i) an untrue statement of a material fact, or
- (ii) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made;

“Money Laundering Laws” has the meaning given to it in subsection 9(jjjj);

“NI 41-101” means National Instrument 41-101 – *General Prospectus Requirements*;

“NI 44-101” means National Instrument 44-101 – *Short Form Prospectus Distributions*;

“NI 52-110” means National Instrument 52-110 – *Audit Committees*;

“Non-Voting Shares” has the meaning given to it in the second paragraph of this Agreement;

“Notice” has the meaning given to it in Section 25;

“Offered Share” has the meaning given to it in the first paragraph of this Agreement;

“Offered Units” has the meaning given to it in the first paragraph of this Agreement;

“Offering” has the meaning given to it in the first paragraph of this Agreement;

“Offering Price” has the meaning given to it in the first paragraph of this Agreement;

“Option Closing” has the meaning given to it in Section 12;

“Option Closing Date” means the date, which shall be a Business Day, as set out in the Agents’ Option Notice or such other date that the Corporation and the Lead Agent, on behalf of the Agents, may agree;

“Option Closing Time” means 8:00 a.m. (Toronto time) on the Option Closing Date or such other time on the Option Closing Date as the Corporation and the Lead Agent, on behalf of the Agents, may agree;

“Option Expiry Date” has the meaning given to it in the fifth paragraph of this Agreement;

“Permit” means any certificate, authority, permit or licence issued by appropriate state, provincial, municipal or federal, United States and foreign regulatory agencies or bodies necessary to the conduct of the business of the Corporation, as applicable, as such business is currently conducted;

“person” means a natural person, partnership, limited partnership, limited liability partnership, syndicate, sole proprietorship, corporation or company (with or without share capital), limited liability company, trust, unincorporated association, joint venture or other entity or authority;

“Preferred Shares” has the meaning given to it in the second paragraph of this Agreement;

“Preliminary Base Shelf Prospectus” has the meaning given to it in the second paragraph of this Agreement;

“President’s List Purchasers” means those Purchasers identified on a president’s list mutually agreed upon by the Corporation and the Lead Agent in advance of Closing;

“Private Placement Units” has the meaning given to it in the eighth paragraph of this Agreement;

“Prospectus” has the meaning given to it in the second paragraph of this Agreement;

“Prospectus Amendment” means any amendment or supplement to the Prospectus;

“Public Record” means all information filed by or on behalf of the Corporation with the Canadian Securities Regulators and accessible on SEDAR since March 20, 2019, including without limitation, the Documents Incorporated by Reference, the Prospectus and any Prospectus Amendment and any other information filed with any Canadian Securities Regulators and accessible on SEDAR since March 20, 2019 in compliance, or intended compliance, with the continuous disclosure obligations imposed on the Corporation under any Applicable Securities Laws;

“Purchasers” means the purchasers of the Qualified Securities at the Closing Time or Option Closing Time;

“Qualified Institutional Buyer” means a “qualified institutional buyer” as that term is defined in Rule 144A under the U.S. Securities Act, that is also a U.S. Accredited Investor;

“Qualified Securities” has the meaning given to it in the fifth paragraph of this Agreement;

“Qualifying Provinces” has the meaning given to it in the second paragraph of this Agreement;

“Registered Corporation IP” means all Corporation IP that is the subject of an application for registration or registration with an intellectual property office (including, without limitation, the CIPO and the USPTO) or other registrar for Intellectual Property;

“Regulation D” means Regulation D promulgated under the U.S. Securities Act;

“Regulation S” means Regulation S promulgated under U.S. Securities Act;

“Reviewing Authority” has the meaning given to it in the second paragraph of this Agreement;

“Securities” means the Offered Units, the Offered Shares, the Warrant Shares, the Additional Securities, the Additional Offered Shares, the Additional Warrant Shares, the Broker Warrants and the Broker Warrant Shares;

“SEDAR” means the System for Electronic Data Analysis and Retrieval;

“Selling Firm” has the meaning given to it in the fourth paragraph of this Agreement;

“Selling Jurisdictions” has the meaning given to it in the sixth paragraph of this Agreement;

“Shelf Procedures” has the meaning given to it in the second paragraph of this Agreement;

“SR&ED” has the meaning given to it in subsection 9(bbb);

“standard term sheet” has the meaning given to it in NI 41-101;

“Supplement” has the meaning given to it in the second paragraph of this Agreement;

“Supplement Filing Date” means the date on which the Supplement is filed with the securities regulatory authorities in the Qualifying Provinces

“Taxes” has the meaning given to it in subsection 9(aaa);

“template version” has the meaning given to it in NI 41-101;

“Transfer Agent” means Computershare Investor Services Inc., in its capacity as transfer agent for the Corporation, or any successor thereto;

“TSXV” means the TSX Venture Exchange;

“United States” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“USPTO” means the United States Patent and Trademark Office;

“U.S. Accredited Investor” means an “accredited investor” as defined in Rule 501(a) of Regulation D;

“U.S. Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

“U.S. Memorandum” has the meaning given in subsection 5(b);

“U.S. Person” means a “U.S. person” as such term is defined in Rule 902(k) of Regulation S;

“U.S. Placement Agent” means a United States registered broker-dealer acting in connection with the Offering that is (a) an affiliate of an Agent; (b) appointed by the Agents as a sub-agent; or (c) acting with an Agent in compliance with Rule 15a-6 under the U.S. Exchange Act;

“U.S. Securities Act” means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

“U.S. Securities Laws” means all applicable securities laws of the United States including, but not limited to, the U.S. Securities Act and the U.S. Exchange Act and the applicable state securities laws and the respective rules, regulations, orders and rulings under such laws, together with applicable published policies, policy statements and notices of the securities regulatory authorities in the United States and each applicable state;

“Warrant” has the meaning given to it in the first paragraph of this Agreement;

“Warrant Agent” means Computershare Trust Company of Canada, in its capacity as warrant agent under the Warrant Indenture;

“Warrant Indenture” means the warrant indenture to be dated as of the Closing Date between the Corporation and the Warrant Agent, governing the terms and conditions of the Warrants; and

“Warrant Share” has the meaning given to it in the first paragraph of this Agreement.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender include all genders. References to “paragraph” and “Section” (unless otherwise indicated) are to the appropriate paragraphs and Sections of this Agreement. Unless the context otherwise requires, any reference to a statute shall be deemed to include regulations made pursuant thereto, all amendments in force from time to time, and any statute or regulation that may be passed that has the effect of supplementing or superseding the statute or regulation referred to.

Schedule A – Compliance with United States Securities Laws – is attached to this Agreement and deemed to be a part hereof and hereby incorporated by reference herein.

2. Appointment of Agents

- (a) The Corporation hereby appoints the Agents as the Corporation's sole and exclusive agents to effect the sale of the Qualified Securities in the Qualifying Provinces, and in any other jurisdiction where the Qualified Securities may be lawfully offered for sale or sold, on a best efforts basis on the terms and conditions hereinafter provided. The Agents agree to act as the Corporation's agents for such purpose and to use their best efforts to effect the sale of the Qualified Securities on the Corporation's behalf, directly and through the Selling Firms (including, for the avoidance of doubt, any U.S. Placement Agents), subject to the terms and conditions hereinafter provided. It is understood that the Agents shall act as agents only and shall not at any time be obligated to purchase or to arrange for the purchase of any Qualified Securities, although an Agent may purchase the Qualified Securities if it so desires.

- (b) The Agents agree to sell the Qualified Securities only in accordance with, and in a manner permitted by, applicable Laws, including Applicable Securities Laws and only in those jurisdictions where they may be lawfully offered for sale or sold, and the Agents shall require any Selling Firm (including, for the avoidance of doubt, any U.S. Placement Agents) to so comply. The Agents further agree that (i) subject to receipt of the same from the Corporation, to send a copy of the Prospectus to all Purchasers and to send a copy of all Prospectus Amendments to all persons to whom copies of the Prospectus are sent; and (ii) the sale of the Qualified Securities in any jurisdiction outside of the Qualifying Provinces shall not require the Corporation to file a prospectus, registration statement or other disclosure document or become subject to continuing obligations in such other jurisdictions.
- (c) Each Agent hereby represents and warrants that: (i) it is duly qualified under Applicable Securities Laws in Canada to effect the sale of the Qualified Securities in the Qualifying Provinces; (ii) it and each Selling Firm that is not registered as a broker-dealer under Section 15 of the U.S. Exchange Act will not offer or sell any of the Qualified Securities to, or for the account or benefit of, persons in the United States or U.S. Persons other than through a U.S. Placement Agent (including in compliance with Rule 15a-6 under the U.S. Exchange Act); and (iii) all offers and sales of the Qualified Securities in the United States will be effected by a U.S. Placement Agent (including in compliance with Rule 15a-6 under the U.S. Exchange Act), in accordance with all applicable U.S. federal and state broker-dealer requirements. Each U.S. Placement Agent is, and will be on the date of each offer or sale of the Qualified Securities to, or for the account or benefit of, persons in the United States or U.S. Persons effected by it, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and the securities laws of each state in which such offer or sale is made (unless exempted from the respective states' broker-dealer registration requirements) and a member of and in good standing with the Financial Industry Regulatory Authority, Inc.
- (d) The Agents may appoint Selling Firms duly qualified in their respective jurisdictions, as their agents to assist in the Offering and shall ensure that each Selling Firm agrees to comply with the covenants and obligations given by the Agents herein, to the extent applicable, and shall offer the Qualified Securities for sale to the public in the Selling Jurisdictions directly and through Selling Firms upon the terms and conditions set out in the Prospectus and this Agreement. The Agents agree to obtain such an agreement of each Selling Firm. The Agents may determine the remuneration payable to such Selling Firms, which remuneration, if any, shall comprise a portion of the Agents' Commission payable hereunder, shall be for the account of, and paid for sold by, the Agents.
- (e) For the purposes of this section and unless otherwise indicated in writing by the Corporation, the Agents shall be entitled to assume that the Qualified Securities are qualified for distribution in any Qualifying Provinces following the filing of the Supplement.
- (f) The Agents shall use their best efforts to complete the distribution of the Offered Units pursuant to the Supplement as early as practicable and the Agents shall advise the Corporation in writing when the Agents have completed the distribution of the Offered Units and within 25 days of the Closing Date or the Option Closing Date provide a breakdown of the number of Offered Units distributed and proceeds

received in each of the Qualifying Provinces where such breakdown is required for the purpose of calculating fees payable to the Canadian Securities Regulators.

3. Qualification for Sale

- (a) The Corporation shall:
 - (i) forthwith after the execution of this Agreement and in any event no later than 10:45 p.m. (Toronto time) on June 5, 2020, use reasonable commercial efforts to prepare and file the Supplement and other documents required under Applicable Securities Laws to be filed in connection with the Supplement, with the Canadian Securities Regulators, and otherwise fulfill all legal requirements necessary to enable the Qualified Securities to be offered in each of the Qualifying Provinces through the Agents or any other investment dealer duly registered in the applicable Qualifying Province who complies with Applicable Securities Laws and the terms and conditions of its registration; and
 - (ii) until the date on which the distribution of the Qualified Securities is completed, use its commercially reasonable efforts to promptly take, or cause to be taken, all additional steps and proceedings that from time to time may be required or desired under Applicable Securities Laws in each Qualifying Province to continue to qualify the distribution of the Qualified Securities and the Broker Warrants or, in the event that the Qualified Securities or the Broker Warrants have, for any reason, ceased to so qualify, to so qualify again the Qualified Securities or the Broker Warrants, as applicable, for distribution.
- (b) Prior to the filing of the Supplement and, during the period of distribution of the Qualified Securities, prior to the filing with any Canadian Securities Regulators of any Prospectus Amendment after the date hereof, the Corporation shall allow the Agents and the Agents' Counsel to participate fully in the preparation of, and to approve the form of, the Supplement and any such Prospectus Amendment, as applicable, and to have reviewed any Documents Incorporated by Reference therein (such approval and review not to be unreasonably withheld, conditioned or delayed).
- (c) During the period from the date hereof until completion of the distribution of the Qualified Securities, the Corporation shall allow the Agents to conduct all due diligence which they may reasonably require in order to fulfill their obligations as "underwriters" (as the term is defined in Applicable Securities Laws) and in order to enable the Agents to responsibly execute the certificates required to be executed by them in the Supplement or in any Prospectus Amendment. Without limiting the generality of the foregoing, the Corporation shall make available its senior management, and shall use its commercially reasonable efforts to cause the Auditors and the Corporation's Counsel, to answer any questions which the Agents may have and otherwise participate in one or more due diligence sessions to be held prior to Closing (collectively, the "**Due Diligence Sessions**"), subject to the delivery by the Agents of such documents that such parties may reasonably request or which are customary or necessary as a prerequisite to their participation in any Due Diligence Session. The Agents shall distribute a list of written questions to be answered in advance of such Due Diligence Session.

- (d) The Corporation shall use its commercially reasonable efforts to maintain its status as a “reporting issuer” (or the equivalent thereof) not in default of the requirements of the Applicable Securities Laws of each of the Qualifying Jurisdictions for as long as any Warrants remain outstanding, other than in a business combination or similar transaction where all the outstanding securities of the Corporation have been exchanged for cash or the securities of another issuer which is a reporting issuer under any Applicable Securities Laws.
- (e) The Corporation shall use its commercially reasonable efforts to maintain the listing of the Common Shares on the TSXV or such other recognized stock exchange or quotation system as the Lead Agent, on behalf of the Agents, may approve, acting reasonably, for as long as any Warrants remain outstanding, other than in a business combination or similar transaction where all the outstanding securities of the Corporation have been exchanged for cash or the securities of another issuer which is a reporting issuer under any Applicable Securities Laws.
- (f) The Corporation intends to apply the net proceeds from the Offering substantially in the manner described in the Prospectus under the heading “Use of Proceeds”.

4. Marketing Materials

Until the Closing or termination of this Agreement, the Corporation and the Lead Agent shall approve in writing (prior to such time that marketing materials are provided to potential investors) any marketing materials reasonably requested to be provided by the Agents to any potential investor of Qualified Securities, such marketing materials to comply with Applicable Securities Laws. The Agents shall provide a copy of any marketing materials used in connection with the Offering to the Corporation in accordance with this Section 4. The Corporation shall file a template version and any revised template version of such marketing materials with the Canadian Securities Regulators as soon as reasonably practicable after such marketing materials are so approved in writing by the Corporation and the Lead Agent, and in any event on or before the day the marketing materials are first provided to any potential investor of Qualified Securities, and such filing shall constitute the Agents’ authority to use such marketing materials in connection with the Offering. Any comparables shall be redacted from the template version in accordance with NI 44-101 prior to filing such template version with the Canadian Securities Regulators and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Canadian Securities Regulators by the Corporation.

The Corporation and the Agents, on a several basis, covenant and agree:

- (a) not to provide any potential investor of Qualified Securities with any marketing materials unless a template version of such marketing materials has been filed by the Corporation with the Canadian Securities Regulators on or before the day such marketing materials are first provided to any potential investor of Qualified Securities;
- (b) not to provide any potential investor with any materials or information in relation to the Offering or the Corporation other than: (i) such marketing materials that have been approved and filed in accordance with this Section 4; (ii) the Prospectus or any Prospectus Amendment; and (iii) any “standard term sheets”, as defined in NI 41-101, approved in writing by the Corporation and the Lead Agent; and

- (c) that any marketing materials approved and filed in accordance with this Section 4 and any standard term sheets approved in writing by the Corporation and the Lead Agent shall only be provided to potential investors in the Selling Jurisdictions where the provision of such marketing materials or standard term sheets does not contravene Applicable Securities Laws.

5. Delivery of Prospectus and Related Documents

The Corporation shall deliver or cause to be delivered without charge to the Agents and the Agents' Counsel the documents set forth below at the respective times indicated:

- (a) concurrently with the filing of the Supplement:
 - (i) copies of the Prospectus, signed as required by Applicable Securities Laws of the Qualifying Provinces (provided that the Agents shall have also signed and certified the Supplement);
 - (ii) copies of any Documents Incorporated by Reference which have not previously been delivered to the Agents or filed on SEDAR; and
 - (iii) a copy of any other document required to be filed by the Corporation under Applicable Securities Laws during the period of distribution of the Qualified Securities, to the extent not filed on SEDAR;
- (b) as soon as it is available, and only if required, the private placement memorandum incorporating the Base Prospectus and the Prospectus prepared for use in connection with the offer and sale of the Qualified Securities to, or for the account or benefit of, persons in the United States or U.S. Persons (the "**U.S. Memorandum**"), and, forthwith after preparation, any amendment to the U.S. Memorandum;
- (c) as soon as they are available, copies of any Prospectus Amendment filed by the Corporation in the Qualifying Provinces, signed as required by Applicable Securities Laws of the Qualifying Provinces (provided that the Agents have also signed and certified each such Amendment, as applicable) and including, in each case, copies of any Documents Incorporated by Reference therein which have not been previously delivered to the Agents or filed on SEDAR;
- (d) prior to the filing of the Supplement with the Canadian Securities Regulators, a "long form" comfort letter from the Auditors, dated the date of the Supplement (with the relevant procedures to be completed by the Auditors not more than two Business Days prior to such date), addressed to the Agents and satisfactory in form and substance to the Agents and the Agents' Counsel, acting reasonably, to the effect that they have carried out certain procedures performed for the purposes of comparing certain specified financial information and percentages appearing in the Prospectus and the Documents Incorporated by Reference with indicated amounts in the financial statements or accounting records of the Corporation or other applicable entity or business and have found such information and percentages to be in agreement; and
- (e) prior to the Closing Date, evidence satisfactory to the Agents and Agents' Counsel, acting reasonably, that the listing of the Offered Shares, the Warrant Shares, the

Additional Offered Shares, the Additional Warrant Shares and the Broker Warrant Shares as well as the Common Shares underlying the Private Placement Units and the Common Shares underlying the Private Placement Units have been conditionally approved for listing on the TSXV, subject to satisfaction of certain customary conditions set forth therein.

A comfort letter similar to the foregoing shall be provided to the Agents with respect to any Prospectus Amendment at the time the same is presented to the Agents for signature or, if the Agents' signature is not required, at the time the same is filed. All such comfort letters shall be in form and substance acceptable to the Agents and the Agents' Counsel, acting reasonably.

The filings and deliveries referred to in this Section 5 shall also constitute the Corporation's consent to the use by the Agents and any Selling Firm of the Prospectus, any Prospectus Amendment and any Documents Incorporated by Reference in connection with the offering and sale of the Qualified Securities in the Selling Jurisdictions in compliance with the provisions of this Agreement and Applicable Securities Laws.

6. Representations as to the Prospectus

Delivery of the Prospectus and any Prospectus Amendment shall constitute, a representation and warranty by the Corporation to the Agents that as of their respective dates:

- (a) all information and statements contained in the Prospectus, including all Documents Incorporated by Reference, are, and all information and statements (except information relating solely to and furnished by the Agents specifically for inclusion therein) contained in the Supplement (and any further amendments or supplements to the Prospectus), including all Documents Incorporated by Reference, will be true and correct in all material respects and contained, or will contain, no misrepresentation and constituted, or will constitute, full, true and plain disclosure of all material facts relating to the Corporation and the Offering;
- (b) no material fact or information has been or will be omitted from such disclosure (except that no representation or warranty is given regarding facts or information relating solely to the Agents) that was or is required to be stated in such disclosure or was or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were or will be made;
- (c) except as set forth in the Final Base Shelf Prospectus or as will be set forth or contemplated in the Prospectus, there has been no material change since the end of the period covered by the financial statements of the Corporation included in the Final Base Shelf Prospectus; and
- (d) such Prospectus complies in all material respects with the requirements of the Applicable Securities Laws, including without limitation the Shelf Procedures.

Such deliveries shall also constitute (or, in the case of the Final Base Shelf Prospectus, constituted) the Corporation's consent to the Agents' use of the subject Prospectus for the distribution of the Qualified Securities in the Qualifying Provinces in compliance with the provisions of this Agreement and Applicable Securities Laws.

7. Commercial Copies

The Corporation shall cause commercial copies of the Prospectus, all amendments of and supplements to such document, if any, the U.S. Memorandum, if applicable, and if requested by the Agents, all Documents Incorporated by Reference or any amendments thereof or supplemental thereto, to be delivered to the Agents without charge, in such numbers and in such cities as the Agents may reasonably request by written instructions to the Corporation. Such delivery of the Prospectus shall be effected as soon as possible but in any event no later than 11:00 a.m. (Toronto time) on the next Business Day after the Supplement Filing Date or, in relation to any Prospectus Amendment, no later than 11:00 a.m. (Toronto time) on the first Business Day after the date on which such Prospectus Amendment is filed with the Canadian Securities Regulators.

8. Material Change During Distribution

(a) *Material Change Regarding the Corporation*

During the period from the date of this Agreement to the completion of distribution of the Qualified Securities, the Corporation shall promptly notify the Agents in writing of:

- (i) any material change (actual, anticipated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities or obligations (contingent or otherwise) or capital of the Corporation;
- (ii) any material fact which has arisen or been discovered and would have been required to have been stated in the Prospectus had the fact arisen or been discovered on, or prior to, the date of such document; and
- (iii) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Prospectus, including all Documents Incorporated by Reference, which fact or change is, or may be, of such a nature as to render any statement in the Prospectus misleading or untrue or which would result in a misrepresentation in the Prospectus or which would result in the Prospectus not complying (to the extent that such compliance is required) with Applicable Securities Laws in Canada.

The Corporation shall promptly, and in any event within any applicable time limitation, comply, to the reasonable satisfaction of the Agents, with all applicable filings and other requirements under Applicable Securities Laws of the Qualifying Provinces as a result of such fact or change. However, the Corporation shall not file any Prospectus Amendment or other document without first consulting with the Agents with respect to the form and content thereof.

The Corporation shall cooperate in all respects with the Agents to allow and assist the Agents to participate fully in the preparation of any Prospectus Amendment and shall allow any Agent to conduct any and all due diligence which in the opinion of such Agents is required in order to enable such Agent to responsibly execute any certificates required to be executed by the Agents in the Prospectus or in any Prospectus Amendment to fulfill their obligations under Applicable Securities Laws. The Corporation shall in good faith discuss with the Agents any fact or change in circumstances (actual, anticipated or threatened, financial or otherwise), which is of such a nature that there is reasonable doubt whether written notice need be given under this Section 8(a).

If such a change, as contemplated under this Section 8(a), requires a Prospectus Amendment to be filed in accordance with Applicable Securities Laws of the Qualifying Provinces, the Corporation shall also prepare and deliver promptly to the Agents signed copies of each such Prospectus Amendment (provided that the Agents shall have also signed and certified each such Prospectus Amendment).

(b) *Change in Applicable Securities Laws*

If, during the period of distribution of the Qualified Securities, there shall be any change in Applicable Securities Laws of the Qualifying Provinces which, in the opinion of the Corporation or any Agent, acting reasonably, requires the filing of a Prospectus Amendment, the Corporation shall, to the satisfaction of the Agents and the Agents' Counsel, acting reasonably, promptly prepare and file such Prospectus Amendment with the appropriate Canadian Securities Regulators where such filing is required; provided that the Corporation shall not file any such Prospectus Amendment or other document without first consulting with the Agents with respect to the form and content thereof.

(c) *Change in Closing Date Following Material Change*

If, as a result of any circumstance contemplated in the foregoing subsections of this section, a Prospectus Amendment is required to be filed, then, subject to Section 14, the Closing Date shall be, unless the Corporation and the Agents otherwise agree in writing, the sixth Business Day following the later of:

- (i) the date on which all applicable filings or other requirements under Applicable Securities Laws of the Qualifying Provinces with respect to such material change or change in a material fact have been complied with in all Qualifying Provinces and any appropriate receipts obtained for such filings and notice of such filings from the Corporation or the Corporation's Counsel have been received by the Agents; and
- (ii) the date upon which the commercial copies of any Prospectus Amendment have been delivered in accordance with Section 7.

(d) *Notifications under Applicable Securities Laws*

During the period from the date of this Agreement to the completion of the distribution of the Qualified Securities, the Corporation will promptly inform the Agents in writing of the full particulars of:

- (i) any request of any Canadian Securities Regulator or similar regulatory authority, for any amendment to, or to suspend or prevent the use of, the Prospectus, or for any additional information;
- (ii) the issuance by any Canadian Securities Regulator or similar regulatory authority, the TSXV or any other competent authority of any order to cease or suspend trading of any securities of the Corporation or of the institution or, to the knowledge of the Corporation, threat of institution, of any proceedings for that purpose; and
- (iii) the receipt by the Corporation of any non-administrative communication from any Canadian Securities Regulator or similar regulatory authority, the TSXV

or any other competent authority relating to the Prospectus, or the distribution of the Qualified Securities,

and except as otherwise agreed by the Agents and the Corporation, the Corporation will use its reasonable commercial efforts to prevent the issuance of any cease trading order or suspension order and, if issued, use its reasonable commercial efforts to obtain the withdrawal thereof as soon as possible.

9. Representations and Warranties of the Corporation

The Corporation hereby represents and warrants as follows to the Agents and acknowledges that the Agents are relying upon such representations and warranties in connection with their execution and delivery of this Agreement and the completion of the Offering that:

Corporate Matters

- (a) the Corporation has been duly incorporated or continued and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation or continuation, has all requisite corporate power and authority and is qualified and holds all Permits, necessary or required to carry on its business as now conducted and to own, lease and operate its assets and no steps or proceedings have been taken by any person, voluntary or otherwise, requiring or authorizing its dissolution or winding up, and the Corporation has all requisite power and authority to enter into this Agreement and will have all requisite power and authority to enter into the Warrant Indenture (including to issue, sell and deliver the Securities) and to carry out its obligations hereunder and thereunder;
- (b) each of the execution and delivery of this Agreement and the Warrant Indenture, the performance by the Corporation of its obligations hereunder and thereunder, the issue, sale and delivery of the Securities, the performance by the Corporation of its obligations thereunder and the consummation of the transactions contemplated by this Agreement, do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both) (i) any statute, rule or regulation applicable to the Corporation, including, without limitation, Applicable Securities Laws or the rules of the TSXV; (ii) the constating documents, by-laws or resolutions of the directors, shareholders or committees of the Corporation that are in effect at the date hereof; (iii) any material mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which the Corporation is a party or by which the Corporation is bound; or (iv) any judgment, decree or order binding the Corporation, or the assets of the Corporation, except, in the case of clauses (i), (iii) and (iv), where such conflict, breach or default will not have a material adverse effect;
- (c) this Agreement, the Warrant Indenture and all other contracts required in connection with the issuance, sale and delivery of the Securities have been or will be duly authorized and executed and delivered by the Corporation and constitute or will constitute valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally, and except as

limited by the application of equitable principles when equitable remedies are sought and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable Law;

- (d) the Corporation is current and up-to-date with all filings required to be made by the Corporation under the laws of Canada and any other jurisdictions in which the Corporation may operate, as applicable, and all filings required by the TSXV or any other exchange, that would have a material adverse effect if not filed;
- (e) the Corporation has no subsidiaries and the Corporation does not beneficially own or exercise control or direction over 10% or more of the outstanding voting shares of any company;
- (f) the Corporation is not (i) in default or in breach of the constating documents or resolutions of its directors or shareholders; or (ii) in default of any material obligations under any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease, or other document to which the Corporation is a party or by which the Corporation is bound;
- (g) other than in connection with the Concurrent Private Placement, no person is entitled to any pre-emptive or any similar rights to subscribe for any Common Shares or other securities of the Corporation and there are no outstanding rights, warrants or options to acquire, or instruments convertible into or exchangeable for, any shares in the capital of the Corporation except as disclosed in the Prospectus or elsewhere herein;
- (h) the minute books of the Corporation contain copies of all material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Corporation to the date hereof and there have been no other material meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of the Corporation to the date hereof not reflected in such minute books, other than those which have been disclosed in writing to the Agents, disclosed on SEDAR or those that relate to the Closing and provided to the Agents prior to the Closing Date;
- (i) to the knowledge of the Corporation, none of its current directors or officers are now subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange;

Compliance with Laws

- (j) the Corporation is, in all material respects, conducting its businesses in compliance with all applicable Laws, and, in particular, all applicable Environmental Laws or other lawful requirement of any governmental or regulatory bodies applicable to the Corporation of each jurisdiction in which its business is carried on and is, as required, licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its assets or carries on business to enable its business to be carried on as now conducted and its assets to be owned, leased and operated and all such licences, registrations and qualifications are as of the date hereof and will at the Closing Time or at the Option Closing Time, as applicable, be valid, subsisting and

in good standing, except where such failure to be so qualified or the absence of any such licence, registration or qualification does not and will not have a material adverse effect;

- (k) the Corporation possess all Permits, including without limitation Permits required by the United States Food and Drug Administration (the “**FDA**”) and Health Canada, except where lack of possession of such Permit does not and will not have a material adverse effect and, the Corporation has not received any notice of proceedings relating to the withdrawal, cancellation, suspension, revocation or modification of any such Permit;
- (l) all of the descriptions in the Prospectus of the legal and governmental proceedings by or before the FDA, Health Canada or any foreign, state or local government body exercising comparable authority are accurate and complete in all material respects;
- (m) all clinical, pre-clinical and other studies and tests (including, but without limitation any human and animal clinical trials) conducted by or on behalf of the Corporation have been conducted and are being conducted in all material respects in accordance with experimental protocols, procedures and controls pursuant to generally accepted professional scientific standards, institutional review board requirements and applicable Laws; the descriptions of the results of such studies and tests contained or to be contained in the Prospectus are accurate, complete and fair, in all material respects, and the Corporation has no knowledge of any other studies or tests, the results of which call into question the results described or referred to in the Prospectus, and the Corporation has not received any notices or correspondence from the FDA, Health Canada or any other governmental agency requiring the termination, suspension or modification of any studies or tests conducted by, or on behalf of, the Corporation or in which the Corporation has participated that are described or will be described in the Prospectus or the results of which are referred or will be referred to in the Prospectus that would cause the Corporation to change the descriptions in the Prospectus in any material respect;
- (n) no consent, approval, permit, authorization, order or filing of or with any court or governmental agency or body of Canada or of any Selling Jurisdiction is required by the Corporation for the execution and delivery of and the performance by the Corporation of its obligations under this Agreement and the Warrant Indenture, except as may be required under Applicable Securities Laws or the rules of the TSXV;
- (o) to the Corporation’s knowledge, it is not aware of any legislation, or proposed legislation (published by a legislative body), which it anticipates will have a material adverse effect;

Share Capital and Share Ownership

- (p) the authorized capital of the Corporation consists of (i) an unlimited number of Common Shares, (ii) an unlimited number of Non-Voting Shares, and (iii) an unlimited number of Preferred Shares, issuable in series. As at the close of business on the Business Day immediately preceding the date hereof, 47,458,261 Common Shares were issued and outstanding as fully paid and non-assessable shares in the capital of the Corporation and no Non-Voting Shares or Preferred Shares were

issued and outstanding. As of the date hereof, there are 7,367,604 warrants and 4,021,757 options issued under the Corporation's stock option plan to acquire Common Shares that are issued and outstanding;

- (q) the rights, privileges, restrictions and conditions attached to the Common Shares, the Non-Voting Shares and the Preferred Shares are accurately summarized in all material respects in the Prospectus, and such rights, privileges, restrictions and conditions comply with and do not conflict with any by-law, rule or regulation of the laws of the governing jurisdiction of the Corporation;
- (r) except as set forth in the Prospectus, the Corporation has no securities outstanding that are convertible into or exchangeable or exercisable for securities of the Corporation and there are no outstanding options on or rights to subscribe for any unissued securities of the Corporation other than those securities issuable in connection with the Offering and the Concurrent Private Placement;
- (s) upon issuance, the Warrants, the Additional Warrants and the Broker Warrants will constitute legal, valid and binding obligations of the Corporation. The Warrant Indenture and the Broker Warrants Certificates will conform in all material respects to the attributes of the Warrants and Broker Warrants, respectively, as described herein and are or will be described in the Prospectus;
- (t) at the Closing Date:
 - (i) the Offered Shares to be issued on such date will, upon issue, be validly created, issued, sold and delivered and will be issued as fully paid and non-assessable;
 - (ii) the Warrants to be issued on such date will be duly and validly created, issued, sold and delivered; and
 - (iii) the Broker Warrants to be issued (in connection with the issuance of the Units) on such date will be duly and validly created, issued, sold and delivered;
- (u) at the Option Closing Date:
 - (i) the Additional Offered Shares to be issued on such date will, upon issue, be validly created, issued, sold and delivered and will be issued as fully paid and non-assessable;
 - (ii) the Additional Warrants to be issued on such date will be duly and validly created, issued, sold and delivered; and
 - (iii) the Broker Warrants to be issued (in connection with the issuance of the Additional Units) on such date will be duly and validly created, issued, sold and delivered;
- (v) upon the exercise of the Warrants, the Additional Warrants or of the Broker Warrants, as the case may be, in accordance with their terms, the Warrant Shares, the Additional Warrant Shares or the Broker Warrant Shares, as the case may be,

issuable thereunder will be validly issued as fully paid and non-assessable Common Shares;

- (w) to the knowledge of the Corporation, no agreement will be in force or effect at or prior to the Closing Time, or the Option Closing Time, as applicable, which in any manner affects the voting or control of any of the securities of the Corporation;
- (x) the definitive form of certificate for the Common Shares is in proper form under the CBCA and complies with the requirements of the TSXV and the constating documents of the Corporation;

Applicable Securities Laws Matters

- (y) the Corporation is, and will be at the Closing Time, or the Option Closing Time, as applicable, a reporting issuer (or the equivalent thereof) not in default under Applicable Securities Laws in the Qualifying Provinces and is in material compliance with its timely and continuous disclosure obligations under such Applicable Securities Laws and, without limiting the generality of the foregoing, since it became a reporting issuer, no material change has occurred and no material fact has arisen or been discovered that has not been publicly disclosed;
- (z) the outstanding Common Shares are listed and posted for trading on the TSXV;
- (aa) the Transfer Agent at its principal offices in the city of Montréal, Québec has been appointed as registrar and transfer agent for the Common Shares;
- (bb) the Warrant Agent at its principal offices in the city of Toronto, Ontario has been duly appointed as warrant agent under the Warrant Indenture;
- (cc) as at the Closing Date or the Option Closing Date, as applicable, all consents, approvals, Permits, authorizations or filings as may be required under Applicable Securities Laws and rules of the TSXV necessary to the performance by the Corporation of its obligations under this Agreement will have been obtained other than post-closing filings required under Applicable Securities Laws or customarily required by the TSXV;
- (dd) none of the Canadian Securities Regulators or the TSXV has issued any order preventing or suspending the use of the Prospectus or trading in any of the Securities and no proceeding for this purpose have been instituted by the Canadian Securities Regulators or the TSXV, or are, to the Corporation's knowledge pending, contemplated or threatened;
- (ee) the Corporation is eligible to qualify the distribution of the Qualified Securities and the Broker Warrants using the Shelf Procedures;
- (ff) other than as contemplated hereby, there is no person acting or purporting to act at the request or on behalf of the Corporation that is entitled to any brokerage or finder's fee in connection with the Offering, except as otherwise disclosed to the Agents;

- (gg) there has not been any material change or material adverse change from the position set forth in the Documents Incorporated by Reference which has not been disclosed in the Public Record;
- (hh) except as otherwise disclosed in the Prospectus, since March 31, 2019:
 - (i) the Corporation has not declared or paid any dividends or declared or made any other payments or distributions on or in respect of any of its Common Shares and has not, directly or indirectly, redeemed, purchased or otherwise acquired any of the Common Shares or agreed to do so or otherwise effected any return of capital with respect to such shares;
 - (ii) the Corporation has not incurred any obligation or liability, direct or indirect, contingent or otherwise, except in the ordinary course of business or which is not material; and
 - (iii) the Corporation has not entered into any material transactions;

Forward-Looking Information.

- (ii) with respect to forward-looking information contained in the Prospectus: (i) the Corporation has a reasonable basis for the forward-looking information; and (ii) all material forward-looking information is identified as such, and cautions users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information, and accurately states the material factors or assumptions used to develop forward-looking information, subject to any qualifications contained therein;
- (jj) the Corporation is not insolvent (within the meaning of applicable laws), is able to pay its liabilities as they become due and will have, following completion of the Offering, sufficient working capital to fund its operations (as currently intended) for 12 months following the Closing Date;

Financial Information and Auditors

- (kk) the Financial Information fairly presents, in all material respects and in accordance with International Financial Reporting Standards consistently applied, the financial position and condition of the Corporation as at their respective dates and the results of the operations of the Corporation for the periods then ended and reflects all liabilities (absolute, accrued, contingent or otherwise) of the Corporation as at their respective dates, except, in the case of unaudited interim statements, to the extent that they may exclude footnotes or may be condensed or summary statements;
- (ll) to the knowledge of the Corporation, the Auditors who audited the financial statements of the Corporation most recently delivered to the securityholders of the Corporation and who delivered their report with respect thereto, are independent public accountants as required by Applicable Securities Laws;

- (mm) there has never been any “reportable event” within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations* with the Auditors or any former auditor of the Corporation during the last three years;
- (nn) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with International Financial Reporting Standards (“IFRS”) and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Corporation maintains disclosure controls and procedures and internal control over financial reporting which the Board considers reasonable and appropriate in the Corporation’s circumstances and in accordance with IFRS;
- (oo) the Corporation’s board of directors has validly appointed an audit committee whose composition satisfies the requirements of NI 52-110, and the audit committee of the Corporation operates in accordance with all material requirements of NI 52-110;

Actual or Contingent Liabilities

- (pp) except as disclosed or reflected in the Public Record or in the Prospectus, the Corporation does not have any liabilities, contingent or otherwise, except those incurred in the ordinary course of business, consistent (as to amount and nature) with past practices, none of which, individually or in the aggregate, in the reasonable determination of the Corporation, acting in good faith and after due inquiry, have had or could reasonably be expected to have a material adverse effect;
- (qq) except as set forth in the Prospectus, there is no action, proceeding or investigation (whether or not purported by or on behalf of the Corporation) pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any federal, provincial, state, municipal or other governmental department, commission, board or agency, domestic or foreign, which in any way will have a material adverse effect, or which questions the validity of any of the securities or of the issuance thereof as fully paid and non-assessable securities or any action taken or to be taken by the Corporation pursuant to or in connection with this Agreement. There are no material judgements, awards, orders, decrees or executions outstanding against the Corporation, its business or any of its assets;
- (rr) except as disclosed in the Public Record and in the Prospectus, the Corporation is the absolute legal and beneficial owner of and has good and marketable title to, its interests in its material assets as described in such documents, free of all material mortgages, liens, title retention agreements, charges, pledges, security interests, encumbrances, claims or demands whatsoever;
- (ss) except as disclosed in the Public Record, the Corporation has not received any grant relating to research and development which is subject to:

- (i) repayment in whole or in part; or
- (ii) conversion to debt,

upon sale of any securities of the Corporation or which may affect the right of ownership of the Corporation in the Corporation IP;

- (tt) any and all of the material agreements and other documents and instruments pursuant to which the Corporation holds the assets thereof are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity and contribution may be limited by applicable Law. The Corporation is not in default of any of the material provisions of any such agreements, documents or instruments nor, to the knowledge of the Corporation, has any such default been alleged and such assets are in good standing in all material respects under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licences and claims pursuant to which the Corporation derives the interests thereof in such assets are in good standing in all material respects and there has been no material default on the part of the Corporation under any such lease, licence or claim;
- (uu) since March 31, 2019, other than as disclosed in the Public Record, the Corporation has not approved or entered into any material Contract in respect of (i) the purchase of any material assets or any interest therein or the sale, transfer or other disposition of any material assets or any interest therein currently owned, directly or indirectly, by the Corporation whether by asset sale, transfer or sale of shares or otherwise other than in the ordinary course of business; or (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the assets of the Corporation) of the Corporation;
- (vv) except as disclosed in the Public Record, neither the Corporation, nor, to the Corporation's knowledge, any other party, is in default in the observance or performance of any term or obligation to be performed by it under any material contract, lease, joint venture agreement, licence, guarantee, instrument of indemnity or other material instrument and no event has occurred which with notice or lapse of time or both would constitute such a default, in any such case, which default or event would have a material adverse effect, except as otherwise disclosed to the Agents in writing;
- (ww) except as disclosed in the Public Record, the Corporation has performed in all material respects all obligations required to be performed by the Corporation as of the date hereof under any material agreement to which the Corporation is a party or by which it is bound, if any. There are no agreements to which the Corporation is a party, not otherwise disclosed, the breach or termination of which by the other party to such agreement could reasonably be expected to have a material adverse effect;

- (xx) except as disclosed in the Public Record, there are no material agreements, understandings, instruments, contracts, judgments, orders, writs or decrees to which the Corporation is a party which would require disclosure in the Prospectus;
- (yy) except in the ordinary course of business of the Corporation and/or as disclosed in the Public Record, the Corporation is neither a party to nor is it bound by any material agreement, contract or commitment providing for the guarantee, indemnification, assumption or endorsement or any like commitment with respect to the obligations, liabilities (contingent or otherwise) or indebtedness of any person;
- (zz) except as disclosed or reflected in the Prospectus, the Corporation has not:
 - (i) incurred any material indebtedness for money borrowed or any other liabilities that are now outstanding other than accounts payable incurred subsequent to March 31, 2019;
 - (ii) made any material loans or advances to any other person, other than ordinary advances for travel expenses or expense reimbursements; or
 - (iii) sold, exchanged or otherwise disposed of any of its material assets, licences or rights except in the ordinary course of business;
- (aaa) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Corporation have been paid, except where the failure to pay such Taxes would not adversely affect the Corporation in any material respect. The Corporation has, to the Corporation's knowledge, deducted or withheld and remitted all Taxes to applicable governmental authorities as required. All tax returns, declarations, remittances and filings required to be filed by the Corporation have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings when filed were complete and accurate and no material fact or facts will have been omitted therefrom which would make any of them misleading, except where the failure to file such documents would not have a material adverse effect. The provisions for Taxes shown in the Financial Information are sufficient for the payment of all accrued and unpaid Taxes for all periods up to the end of the most recent financial period addressed in the financial statements. To the Corporation's knowledge, no examination of any tax return of the Corporation is currently in progress and there are no issues or disputes outstanding with any regulatory authority respecting any Taxes that have been paid, or may be payable, by the Corporation, in each case, except where the failure to pay such Taxes would not adversely affect the Corporation in any material respect;
- (bbb) the Scientific Research and Experimental Development ("**SR&ED**") credits receivable as described in the Public Record and any other SR&ED credits otherwise applied for by the Corporation are based on underlying work, expenses and claims of the Corporation giving rise to such SR&ED credits which satisfy the requirements of the *Income Tax Act* (Canada) in order for the Corporation to claim or have claimed such SR&ED credits, and to the knowledge of the Corporation,

there are no facts, circumstances or basis upon which the applicable taxing authority could reject, disallow, adversely reassess or deny the Corporation any such SR&ED credits, except in each case where it would not have a material adverse effect;

- (ccc) the Corporation owns no real property. The Corporation occupies its Leased Premises and has the exclusive right to occupy and use such Leased Premises and each of the leases pursuant to which the Corporation occupies its Leased Premises is in good standing and in full force and effect. The Corporation is not in breach or default of any material term or provision of any real property lease, or has not received any notice or other communication from the owner or manager of any of the Leased Premises that the Corporation is not in material compliance with any term or condition of any such real property lease, and to the knowledge of the Corporation, no notice or other communication is pending or has been threatened. The performance of obligations pursuant to and in compliance with the terms of this Agreement, and the completion of the transactions described herein by the Corporation, will, to the knowledge of the Corporation, not afford any of the parties to such leases or any other person the right to terminate such lease or result in any additional or more onerous obligations under such leases;
- (ddd) all facilities and properties currently or, to the knowledge of the Corporation, formerly owned, leased, used or otherwise controlled, and any and all operations of the Corporation in connection with its business, have been operated and conducted in material compliance with all applicable Laws, including all applicable workers' compensation and health and safety and workplace laws, regulations and policies;
- (eee) except for the agreements explicitly contemplated hereby or as otherwise disclosed in the Public Record or the Prospectus, there are no agreements, understandings or proposed material transactions between the Corporation and any of its officers, directors, affiliates or any affiliate thereof;
- (fff) there are no obligations of the Corporation to officers, directors, shareholders or employees of the Corporation other than (i) for payment of salary or fees for services rendered; (ii) reimbursement for reasonable expenses incurred on behalf of the Corporation; (iii) for other standard employee benefits made generally available to all employees; or (iv) as set forth in the Public Record;
- (ggg) to the Corporation's knowledge, none of the officers or directors of the Corporation are indebted to the Corporation and no officer or director of the Corporation is, directly or indirectly, interested in any material contract with the Corporation, other than as disclosed in the Public Record or the Prospectus. The Corporation is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation;
- (hhh) the Corporation maintains in full force and effect insurance coverage that is customary for comparably situated companies for the business being conducted and assets owned or leased by the Corporation, and the Corporation reasonably believes such insurance coverage to be adequate against all liabilities, claims and risks which it is customary for comparably situated companies to insure;

Environmental Issues

- (iii) the Corporation is in compliance with any and all applicable federal, provincial, state, local, municipal or foreign statute, law, rule, regulation, ordinance, code, policy or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to pollution or protection of human health and safety, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, fluids, pollutants, contaminants, wastes, toxic substances, radioactive materials, hazardous substances, petroleum or petroleum products (collectively, "**Hazardous Substances**") or to the manufacture, processing, blending, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances (collectively, "**Environmental Laws**"), except where the violation would not reasonably be expected, on an individual or aggregate basis, to have a material adverse effect;
- (jjj) there are no orders, rulings or directives issued, pending or, to the Corporation's knowledge, threatened against the Corporation under or pursuant to any Environmental Laws requiring any work, repairs, construction or capital expenditures with respect to the assets of the Corporation (including the Leased Premises);
- (kkk) without limiting the generality of subsection 9(jjj) immediately above, the Corporation does not have any knowledge of, and has not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may affect the Corporation or any of the assets or operations thereof, relating to, or alleging any violation of any Environmental Laws; to the Corporation's knowledge, there are no facts which could give rise to any such claim or judicial or administrative proceeding; to the Corporation's knowledge, neither the Corporation nor any of the assets or operations thereof is the subject of any investigation, evaluation, audit or review by any governmental authority (which term means and includes any national, federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing) to determine whether any material violation of any Environmental Laws has occurred or is occurring or whether any material remedial action is needed in connection with a release of any contaminant into the environment;
- (III) the Corporation has operated their business at all times and have received, handled, manufactured, used, stored, treated, shipped and disposed of all Hazardous Substances without material violation of Environmental Laws, there have been no material spills, releases, deposits or discharges of Hazardous Substances into the earth, air or into any body of water or any municipal or other sewer or drainage systems by the Corporation that have not been remedied and the Corporation has not received any notice wherein it is alleged or stated that it is potentially responsible in a material amount for a federal, provincial, state, municipal or local clean-up site or corrective action under any Environmental Laws;

- (mmm) the Corporation has not failed to report to any governmental authority, the occurrence of any material event which is required to be so reported under Environmental Laws or the terms and conditions of any Permits;
- (nnn) there are no environmental audits, evaluations, assessments, studies or tests relating to the Corporation except for any ongoing assessments conducted by or on behalf of the Corporation in the ordinary course;

Intellectual Property

- (ooo) the Corporation either owns or has the right to use, under licence, sub-licence or otherwise, all Intellectual Property used by the Corporation in its businesses;
- (ppp) except as disclosed in the Public Record, the Corporation owns all right, title and interest in and to all Corporation IP free and clear of all encumbrances, charges, covenants, conditions, options to purchase and restrictions or other adverse claims or interest of any kind or nature;
- (qqq) the Corporation has not received any notice or claim (whether written, oral or otherwise), within the last three years, challenging either the Corporation's ownership or right to use any of the Corporation IP or suggesting that any other person has any claim of legal or beneficial ownership or other claim or interest with respect thereto, nor, to the knowledge of the Corporation, is there a reasonable basis for any claim that any person other than the Corporation has any claim of legal or beneficial ownership or other claim or interest in any of the Corporation IP;
- (rrr) the Corporation is entitled to make use of and commercially exploit the Corporation IP as currently used and exploited, or currently contemplated to be used or exploited. The Corporation has no knowledge of any claim of adverse ownership in respect of the Corporation IP. To the Corporation's knowledge, no consent of any person is necessary to make, use, reproduce, license, sell, modify, update, enhance or otherwise exploit any Corporation IP and none of the Corporation IP comprises an improvement to Licensed IP that would give any person any rights to the Corporation IP, including, without limitation, rights to license the Corporation IP;
- (sss) all applications for registration and registrations of any Registered Corporation IP are in good standing in all material respects, are (or will be) recorded in the name of the Corporation and have been filed in a timely manner in the appropriate offices to preserve the rights thereto and, in the case of a provisional application, the Corporation confirms that all right, title and interest in and to the invention(s) disclosed in such application(s) have been assigned in writing (without any express right to revoke such assignment) to the Corporation;
- (ttt) to the knowledge of the Corporation, there has been no public disclosure, sale or offer for sale of any Corporation IP anywhere in the world that may prevent the valid issue of all available Intellectual Property rights in such Corporation IP. To the knowledge of the Corporation, all prior art or other information has been disclosed to the appropriate offices as required in accordance with Applicable IP Laws in the jurisdictions where the applications are pending;

- (uuu) any and all fees or payments required to keep the Corporation IP and the Licensed IP (to the extent the Corporation is responsible for the prosecution or maintenance of the Licensed IP) in force or in effect have been paid;
- (vvv) the Corporation has a valid and enforceable right to the Licensed IP used or held for use in the business of the Corporation;
- (www) with respect to each material licence or agreement by which the Corporation has obtained the rights to exploit, in any way, the Licensed IP, rights of any other person or by which the Corporation has granted to any third party the right to so exploit such Licensed IP:
 - (i) to other knowledge of the Corporation, such licence or agreement is in full force and effect and is legal, valid, binding and enforceable in accordance with its terms, except to the extent that enforceability may be limited by: (A) applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally; or (B) laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, and represents the entire agreement between the parties thereto with respect to the subject matter thereof, and to the knowledge of the Corporation no event of default has occurred and is continuing under any such licence or agreement;
 - (ii) (A) the Corporation has not received any notice of termination or cancellation under such licence or agreement, and no party thereto has any right of termination or cancellation thereunder except in accordance with its terms; (B) the Corporation has not received any notice of a breach or default under such licence or agreement which breach or default has not been cured; and (C) the Corporation has not granted to any other person any rights contrary to, or in material conflict with, the terms and conditions of such licence or agreement; and
 - (iii) the Corporation does not have knowledge of any other party to such licence or agreement that is in breach or default thereof, and does not have knowledge of any event that has occurred that, with notice or lapse of time would constitute such a breach or default or permit termination, modification or acceleration under such licence or agreement;
- (xxx) to the knowledge of the Corporation, the conduct of the business of the Corporation (including, without limitation, the use or other exploitation of the Corporation IP by the Corporation) has not infringed, violated or misappropriated any Intellectual Property right of any person;
- (yyy) the Corporation is not a party to any action or proceeding, nor, to the knowledge of the Corporation, is or has any action or proceeding been commenced that alleges that any current or proposed conduct of the business of the Corporation (including, without limitation, the use or other exploitation of any Corporation IP by the Corporation) has or will infringe, violate or misappropriate any Intellectual Property right of any person;

- (zzz) to the Corporation's knowledge, no person has interfered with, infringed upon, misappropriated, illegally exported, or violated any of the Corporation's rights in the Corporation IP;
- (aaaa) the Corporation has and enforces a policy requiring each employee and consultant involved in performing services relating to the development or modification of the Corporation IP to execute a non-disclosure agreement substantially in the forms provided to the Agents and/or Agents' Counsel, and all such current employees and consultants of the Corporation have executed such agreement and, to the knowledge of the Corporation, all such past employees and consultants of the Corporation have executed such agreement;
- (bbbb) all of the present and past employees of the Corporation, and all of the present and past consultants, contractors and agents of the Corporation performing services relating to the development or modification of the Corporation IP, have entered into a written agreement assigning to the Corporation, as applicable, all right, title and interest in and to all such Intellectual Property and waiving all moral rights therein;
- (cccc) the Corporation has used its commercially reasonable efforts to take all actions that are contractually obligated to be taken, and all actions that are customary and reasonable, to protect the confidentiality of the Corporation IP;
- (dddd) to the Corporation's knowledge, it is not necessary for the Corporation to utilize any Intellectual Property owned by or in possession of any of their employees (or people the Corporation currently intends to hire) made prior to their employees' employment with the Corporation in a manner that is in violation of the rights of such employee or any of his or her prior employers;
- (eeee) the Corporation has conducted and is conducting its business in compliance in all material respects with all Applicable IP Laws of each jurisdiction in which it carries on business and has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws;

Others

- (ffff) other than: (i) in connection with the proposed favipiravir clinical trial; and (ii) as disclosed in the Prospectus, the COVID-19 Outbreak has not had any material impact on the clinical, pre-clinical and other studies and tests (including, but without limitation to, any human and animal clinical trials) conducted by the Corporation nor on the Corporation's financial condition, liquidity, or longer-term strategic development plans. Except as mandated by an applicable governmental authority, which mandates have not materially affected the Corporation as at the date of this Agreement, there has been no closure or suspension to the operations of the Corporation as a result of the COVID-19 Outbreak. The sites for clinical, pre-clinical and other studies and tests (including, but without limitation to, any human and animal clinical trials) remain open and active except for any closure that would not have a material adverse effect on the Corporation. The Corporation has been monitoring the COVID-19 Outbreak and the potential impact on its operations and has put appropriate control measures in place to support the health of all of its employees and surrounding communities where the Corporation operates, while

continuing to operate in the ordinary course except where required to amend operations in accordance with any governmental order or decree;

- (gggg) the Corporation has not entered into any agreement to complete any “significant acquisition” nor is it contemplating any “probable acquisitions” (as such terms are described in Applicable Securities Laws), that would require, pursuant to NI 44-101, any financial statements or pro forma financial statements in respect thereof to be included in the Prospectus;
- (hhhh) the Corporation has not, and to the knowledge of the Corporation, no director, officer, agent, employee or other person associated with or acting on behalf of the Corporation has: (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the CFPOA or similar legislation; or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment;
- (iiii) neither the Corporation nor, to the best knowledge of the Corporation, any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation has been or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department and the Corporation will not directly or indirectly use any proceeds of the Offering or lend, contribute or otherwise make available such proceeds to the Corporation or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to any country or person targeted by any of the sanctions of the United States;
- (jjjj) the operations of the Corporation are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the money laundering statutes of all other applicable jurisdictions, the rules and regulations thereunder and any related or similar applicable rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the “**Money Laundering Laws**”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Corporation with respect to the Money Laundering Laws is, to the Corporation’s knowledge, pending; and
- (kkkk) the Corporation has not, directly or indirectly: (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (ii) made any contribution to any candidate for public office, in either case where either the payment or the purpose of such contribution, payment or gift was, is or would be prohibited under the CFPOA or the Money Laundering Laws or the rules or regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Corporation and their respective operations, and will not use any portion of the gross proceeds, in contravention of such legislation.

10. Warrants

The Warrants will be validly created and issued pursuant to the terms of the Warrant Indenture. Each Warrant shall entitle its holder to purchase one Common Share at an exercise price of \$1.50 per Common Share, subject to adjustment in certain events, at any time on or before 5:00 p.m. (Toronto time) on the Expiry Date. Any Warrant not so exercised shall expire and be of no force and effect.

The Warrant Indenture shall be in such form and contain such terms as are agreed to by the Corporation, the Warrant Agent and the Agents, acting reasonably.

11. Services Provided by the Agents and Compensation

In return for the Agents' services, including acting as the Corporation's agents in arranging for the sale of the Qualified Securities and performing administrative work in connection with the sales of the Qualified Securities, the Corporation will pay to the Agents an aggregate fee in cash equal to 7.0% of the aggregate gross proceeds realized from the sale of the Qualified Securities (other than gross proceeds raised from President's List Purchasers) (the "**Agents' Commission**").

The Corporation will also issue to the Agents and as designated by the Agents on the Closing Date or Option Closing Date, as applicable, that number of non-transferable Common Share purchase warrants (the "**Broker Warrants**") equal to 7.0% of the number of Offered Units (including the Additional Units, but excluding Units purchased by President's List Purchasers) issued under the Offering on the Closing Date or Option Closing Date, as applicable. Each Broker Warrant will entitle its holder to purchase one Common Share (each, a "**Broker Warrant Share**") at an exercise price of \$1.20 at any time on or before 5:00 p.m. (Toronto Time) on the date that is 24 months following the Closing Date.

The obligation of the Corporation to pay the Agents' Commission and to issue the Broker Warrant shall arise at the Closing Time or the Option Closing Time, as applicable. The Agents' Commission and the Broker Warrants shall be fully earned by the Agents at such time.

For greater certainty, the services provided by the Agents in connection herewith will not be subject to the Goods and Services Tax or Harmonized Sales Tax ("**GST**") provided for in the *Excise Tax Act* (Canada) and taxable supplies provided will be incidental to the exempt financial services provided. However, in the event that the Canada Revenue Agency determines that GST provided for in the *Excise Tax Act* (Canada) is eligible on the Agents' Commission, the Corporation agrees to pay the amount of GST forthwith upon the request of the Agents.

12. Exercise of Agents' Option

The Lead Agent, on behalf of the Agents, may exercise the Agents' Option, in whole or in part, at any time and from time to time prior to the Option Expiry Date by delivery of written notice to the Corporation of the number of Additional Securities in respect of which the Agents' Option is being exercised and the date for delivery of the Additional Securities (an "**Agents' Option Notice**"). The Agents' Option Closing Date shall be determined by the Agents but shall not be earlier than two Business Days or later than seven Business Days after delivery of the Agents' Option Notice. In the event the Agents' Option is exercised prior to the Closing Date, the Option Closing shall take place together with the Closing on the Closing Date. Upon exercise of the Agents' Option as provided herein the Corporation shall become obligated to sell the total number of Additional Securities in respect of which the Agents are exercising the Agents' Option.

Any such closing shall be referred to as an “**Option Closing**” and shall be conducted in the same manner as the Closing. At any Option Closing, the Corporation and the Agents shall make all necessary payments and the Corporation shall, at its sole expense, deliver all of the certificates, opinions and other documents to be delivered by it on the Closing Date, each updated to the date of any such Option Closing

13. Delivery of Qualified Securities, Agents’ Commission, Broker Warrants and Purchase Price

- (a) The purchase and sale of the Qualified Securities for which orders have been received, shall be completed at the offices of Corporation’s Counsel, in the City of Toronto, or electronically at the Closing Time or the Option Closing Time, as applicable.
- (b) The delivery of the Qualified Securities (other than Qualified Securities purchased by President’s List Purchasers) is to be made to the Agents, on behalf of the Purchasers, at the Closing Time or the Option Closing Time, as applicable. At the Closing Time or the Option Closing Time, as applicable, the Corporation shall deliver to the Agents one or more global certificates representing the Offered Shares, Additional Offered Shares, Warrants and Additional Warrants, respectively, sold pursuant to the Offering (other than Qualified Securities purchased by President’s List Purchasers) registered in the name of CDS Clearing and Depositary Services Inc., or its nominee (“**CDS**”), or otherwise effect or cause to be effected one or more electronic deposit(s) pursuant to the non-certificated issue system maintained by CDS such quantity of Qualified Securities as the Agents may direct the Corporation in writing, as well as the Broker Warrant Certificates, against payment to the Corporation of the aggregate purchase price for the Qualified Securities, less the Agents’ Commission and amounts payable to the Agents’ Counsel hereunder and out-of-pocket expenses of the Agents incurred in connection with the Offering (which amounts and expenses shall be borne by the Corporation, as more fully set out in Section 17), in lawful money of Canada by certified cheque, bank draft or wire transfer of immediately available funds to an account designated by the Corporation, against the delivery of cross-receipts therefor. It is understood that Qualified Securities sold to, or for the account or benefit of, persons in the United States or U.S. Persons that are not Qualified Institutional Buyers may be represented by physical certificates endorsed with United States restrictive legends in customary form. In addition, the Corporation shall, at the Closing Time or the Option Closing Time, as applicable, issue to the Agents the Broker Warrant Certificates.
- (c) In the event the Corporation shall subdivide, consolidate or otherwise change its Common Shares prior to the Closing Time or the Option Closing Time, as applicable, the number of Qualified Securities issued after such subdivision, consolidation or change shall be similarly subdivided, consolidated or changed such that the Purchasers would be entitled to receive the equivalent of the number and type of Securities that they would have otherwise been entitled to receive if such Qualified Securities were issued to such Purchaser prior to such subdivision, consolidation or change. The subscription price per Qualified Securities shall be adjusted accordingly and notice shall be given to the Agents of such adjustment. In the event that the Agents disagree with the foregoing adjustment, such adjustment shall be determined conclusively by the Auditors at the Corporation’s expense.

- (d) The Corporation shall, prior to the Closing Date or the Option Closing Date, as applicable, make all necessary arrangements that are within the control of the Corporation for the issuance of the definitive certificates, if any, representing the Common Shares and Warrants comprising the Offered Units and Additional Units on the Closing Date or the Option Closing Date, as applicable, with the Transfer Agent and the Warrant Agent. The Corporation shall pay all fees and expenses payable to the Transfer Agent and the Warrant Agent in connection with the preparation, delivery, certification and issuance of the Common Shares and the Warrants comprising the Offered Units and Additional Units.

14. Closing Conditions

For the purposes of this Section 14, the term “**Closing**” shall include “**Option Closing**”, where applicable, the term “**Closing Time**” shall include “**Option Closing Time**”, where applicable, and the term “**Closing Date**” shall include “**Option Closing Date**”, where applicable.

The Agents’ obligations (and the obligations of the Purchasers) to complete a Closing at the Closing Time, shall be subject to the accuracy of the representations and warranties of the Corporation contained in this Agreement as of the date of this Agreement and as of the Closing Date, if applicable, the performance by the Corporation of its obligations under this Agreement and the following conditions:

- (a) the Agents shall have received at the Closing Time a certificate dated the Closing Date, signed by the Chief Executive Officer of the Corporation, or such other person(s) as may be acceptable to the Agents, certifying for and on behalf of the Corporation and not in his personal capacity:
 - (i) that (A) there has been no material adverse change, financial or otherwise, to such date in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation; and (B) no transaction has been entered into by the Corporation which is material to the Corporation, in each case other than as disclosed in the Prospectus (as it existed at the time of filing);
 - (ii) that no order, ruling or determination having the effect of ceasing or suspending trading in the Common Shares or any other securities of the Corporation has been issued and no proceedings for such purposes are pending or, to the best of the knowledge, information and belief of the person signing such certificate, are contemplated or threatened;
 - (iii) that the Corporation has complied in all material respects with all terms and conditions of this Agreement to be complied with by the Corporation (unless waived by the Agents) at or prior to the Closing Time;
 - (iv) that the representations and warranties of the Corporation contained herein are true and correct in all material respects as of the Closing Date with the same force and effect as if made at and as of the Closing Date after giving effect to the transactions contemplated by this Agreement provided in each case that representations and warranties made as of a specific date shall be required to be so true and correct as of such date only; and

- (v) such other matters as the Agents or the Agents' Counsel may reasonably request;
- (b) the Agents shall have received at the Closing Time a certificate dated the Closing Date, signed by an appropriate officer of the Corporation, addressed to the Agents and Agents' Counsel, with respect to the constating documents of the Corporation, the authorizing resolutions related to the Prospectus, the Offering, this Agreement, the Warrant Indenture, the Supplement and the incumbency and specimen signatures of signing officers;
- (c) the Agents shall have received at the Closing Time favourable legal opinions dated the Closing Date from the Corporation's Counsel, and any other local counsel, in form and substance satisfactory to the Agents, acting reasonably (it being understood that such counsel may rely to the extent appropriate in the circumstance: (i) as to matters of fact, on certificates of the Corporation executed on its behalf by a senior officer of the Corporation and on certificates of the Transfer Agent, as to the issued capital of the Corporation; and (ii) as to matters of fact not independently established, on certificates of public officials) with respect to the following matters (with such opinions being subject to usual and customary assumptions and qualifications, including the qualifications set out below):
 - (i) as to the incorporation and subsistence of the Corporation under the laws of the jurisdiction where it is continued and as to the corporate power of the Corporation to carry out its obligations under this Agreement and to issue the securities as contemplated by this Agreement;
 - (ii) as to the authorized and issued capital of the Corporation;
 - (iii) that the Corporation has all requisite corporate power and authority under the laws of its jurisdiction of continuance to carry on its business and to own or lease its assets as described in the Prospectus;
 - (iv) that none of the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificates and the performance by the Corporation of its obligations hereunder, or the sale or issuance of the Offered Shares, the Warrants, the Warrant Shares, the Additional Offered Shares, the Additional Warrants, the Additional Warrant Shares, the Broker Warrants and the Broker Warrant Shares will conflict with or result in any breach of the articles or by-laws of the Corporation;
 - (v) that each of this Agreement, the Warrant Indenture and the Broker Warrant Certificates has been authorized and executed and delivered by the Corporation, and constitutes a valid and legally binding obligation of the Corporation enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity and contribution may be limited by applicable law;

- (vi) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of the Prospectus and any Prospectus Amendment and the filing of such documents as are required under Applicable Securities Laws in each of the Qualifying Provinces;
- (vii) no consent, approval, authorization or order of or filing, registration or qualification with any court, governmental agency or body or securities regulatory authority having jurisdiction is required at this time for the execution and delivery by the Corporation of this Agreement, the Warrant Indenture or the Broker Warrant Certificates and the performance of its obligations hereunder and thereunder, except for such as have been made or obtained;
- (viii) that the Offered Shares have been validly issued as fully paid and non-assessable securities in the capital of the Corporation;
- (ix) that the Warrants and Broker Warrants have been duly and validly created and issued;
- (x) that the Warrant Shares have been authorized and allotted for issuance and, upon the issuance of the Warrant Shares following due exercise of the Warrants in accordance with the terms thereof, the Warrant Shares will be validly issued as fully paid and non-assessable securities in the capital of the Corporation;
- (xi) that the Broker Warrant Shares have been authorized and allotted for issuance and, upon the issuance of the Broker Warrant Shares following due exercise of the Broker Warrants in accordance with the terms thereof, the Broker Warrant Shares will be validly issued as fully paid and non-assessable securities in the capital of the Corporation;
- (xii) all necessary approvals and authorizations of the applicable securities commissions in the Qualified Provinces under Applicable Securities Laws have been obtained, all necessary documents have been filed, all requisite proceedings have been taken and all other legal requirements have been fulfilled under Applicable Securities Laws by the Corporation to qualify the distribution of the Broker Warrants to the Agents and the distribution and sale to the public of the Offered Shares and Warrants underlying the Offered Units (including the Additional Offered Shares and Additional Warrants) in the Qualifying Provinces through investment dealers or brokers registered under Applicable Securities Laws who have complied with the relevant provisions of such laws and the terms of their registration;
- (xiii) no prospectus is required nor are any other documents, proceedings or approvals, permits, consents or authorizations of regulatory authorities required to be filed, taken or obtained (other than those which have been filed, taken or obtained) under the Applicable Securities Laws to permit the issuance by the Corporation of the Warrant Shares on the exercise of the Warrants and the Broker Warrant Shares on the exercise of Broker Warrants in accordance with their respective terms;

- (xiv) subject to the qualifications, assumptions, limitations and understandings set out therein, the statements set out in the Supplement under the heading “Eligibility for Investment” and “Certain Canadian Federal Income Tax Considerations” are true and correct as at the date of the Supplement;
 - (xv) the attributes of the outstanding classes of shares of the Corporation including the Securities are consistent in all material respects with the respective descriptions thereof in the Prospectus;
 - (xvi) that the Offered Shares, the Warrant Shares, the Additional Offered Shares, the Additional Warrant Shares, and the Broker Warrant Shares have been conditionally approved for listing on the TSXV, subject only to the satisfaction of customary conditions; and
 - (xvii) as to such other matters as the Agents’ Counsel may reasonably request prior to the Closing Time;
- (d) the Agents shall have received at the Closing Time a “bring down” comfort letter from the Auditors, dated the Closing Date, in form and substance satisfactory to the Agents, acting reasonably, addressed to the Agents and in form and substance satisfactory to the Agents and the Agents’ Counsel, provided that such comfort letter shall be based on a review by the Auditors having a cut-off date not more than two Business Days prior to the Closing Date;
 - (e) the Corporation shall have received notice of conditional approval of the TSXV for the listing of the Offered Shares, the Warrant Shares, the Additional Offered Shares, the Additional Warrant Shares, and the Broker Warrant Shares (as well as the Common Shares underlying the Private Placement Units and the Common Shares issuable upon the due exercise of the warrants underlying the Private Placement Units prior to the closing of the Concurrent Private Placement), subject only to the satisfaction of customary conditions set forth therein;
 - (f) the Corporation shall have delivered to the Agents at the Closing Time a fully executed copy of the subscription agreement relating to the Concurrent Private Placement incorporating the reasonable comments of the Agents and the Agents’ counsel;
 - (g) the Agents shall have received at the Closing Time an executed copy of the Warrant Indenture;
 - (h) the Agents shall have received confirmation from the Corporation that the Corporation is not on the defaulting issuer’s list (or equivalent) maintained by the Canadian Securities Regulators in the Qualifying Provinces;
 - (i) the Agents shall have received at the Closing Time a certificate of good standing (or equivalent), dated as of the Closing Date, in respect of the Corporation;
 - (j) the Corporation will have made and/or obtained the necessary filings, approvals, consents and acceptances of the appropriate securities regulatory authorities required to be made or obtained by the Corporation in connection with the sale of the Qualified Securities to the Purchasers prior to the Closing Time; as herein

contemplated, it being understood that the Agents shall do all that is reasonably required to assist the Corporation to fulfil this condition, subject only to the standard post-Closing conditions imposed by the TSXV and any post-Closing notice filings under applicable U.S. Securities Laws;

- (k) the Agents shall have received at the Closing Time a certificate from the Transfer Agent and signed by an authorized officer of Transfer Agent confirming the issued capital of the Corporation as at a date no more than two Business Days prior to the Closing Date; and
- (l) if any sales of Qualified Securities have been effected in the United States, the Agents shall have received a legal opinion of Dentons US LLP, special U.S. securities counsel to the Corporation, addressed to the Agents dated as of the Closing Date, in form and substance satisfactory to the Agents, acting reasonably, to the effect that, subject to customary assumptions, the offer and sale of the Qualified Securities to, or for the account or benefit of, persons in the United States or U.S. Persons in accordance with this Agreement, including Schedule A, are not required to be registered under the U.S. Securities Act, it being understood that no opinion is expressed as to any subsequent resale of such Qualified Securities.

The Corporation agrees that the conditions contained in this Section 14 will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Corporation and that it will use its best efforts to cause all such conditions to be complied with. It is understood that the Agents may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to their rights in respect of any other of the foregoing terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agents any such waiver or extension must be in writing and signed by or on behalf of the Agents. If any of the foregoing conditions are not met, the Agents may terminate their obligations under this Agreement without prejudice to any other remedies the Agents may have.

15. Rights of Termination

(a) Due Diligence

If, at any time prior to Closing, the Agents are not satisfied with the results of any due diligence investigations and examinations with respect to the Corporation conducted by or on behalf of the Agents, the Agents shall be entitled at their sole option, acting reasonably, to terminate their obligations and any obligations of any Selling Firms under this Agreement by written notice to that effect given to the Corporation at any time prior to Closing.

(b) Proceedings

If, prior to the Closing Time or the Option Closing Time, as applicable, any inquiry, action, suit, investigation or other proceeding whether formal or informal is announced, instituted or threatened or any order is made by any federal, provincial or other domestic or foreign governmental authority in relation to the Corporation, or the directors or officers of the Corporation, or there is a change of Law, which, in the sole opinion of an Agent, acting reasonably, operates to prevent or restrict, or materially adversely affects the distribution of the Qualified Securities or which, in the sole opinion of such Agent, acting reasonably, adversely affects the marketability of the Qualified Securities in a material manner, such Agent shall be entitled, at its sole option, in accordance with Section 15(g),

to terminate its obligations under this Agreement by written notice to that effect given to the Corporation at any time prior to the Closing Time or the Option Closing Time, as applicable.

(c) *Regulatory Out Clause*

If, prior to the Closing Date or the Option Closing Date, as applicable, the Corporation fails to obtain any of the regulatory approvals required in connection with the transactions contemplated by this Agreement, including, without limitation, the conditional listing approval of the TSXV for the listing of the Offered Shares, the Warrant Shares, the Additional Offered Shares, the Additional Warrant Shares and the Broker Warrant Shares on the TSXV, subject only to the standard post-Closing conditions imposed by the TSXV, the Agents, acting reasonably, shall be entitled to terminate their obligations under this Agreement by written notice to that effect given to the Corporation at any time prior to the Closing.

(d) *Disaster/Market Out Clause*

If, prior to the Closing Time or the Option Closing Time, as applicable, (i) there should develop, occur or come into effect or existence any state of facts or occurrence of national or international consequence or any action, including any act of terrorism, war or like event, any pandemic (including without limitation, matters caused by, related to or resulting from the COVID-19 Outbreak, to the extent that there is a material adverse development related thereto after the date of this Agreement), or national emergency or similar event or the escalation thereof, governmental law or regulation, enquiry or other occurrence, whether in any financial market or otherwise, of any nature whatsoever which, in the sole opinion of an Agent, acting reasonably, materially adversely affects or may materially adversely affect the marketability of the Qualified Securities, the Canadian or U.S. financial markets or the business, operations or affairs of the Corporation; or (ii) the state of the Canadian or U.S. financial markets is such that, in the sole opinion of an Agent, acting reasonably, the Qualified Securities cannot be profitably marketed; then, in any one or more of the foregoing cases, such Agent shall be entitled, at its sole option, in accordance with Section 15(g), to terminate its obligations under this Agreement by written notice to that effect given to the Corporation at any time prior to the Closing Time or the Option Closing Time, as applicable.

(e) *Material Change*

If, prior to the Closing Time or the Option Closing Time, as applicable, there should occur or be announced by the Corporation any material change, a change in any material fact such as is contemplated by Section 8, or there should be discovered any previously undisclosed material fact required to be disclosed in the Prospectus or a Prospectus Amendment, which results or, in the sole opinion of an Agent, might reasonably be expected to result, in the Purchasers of a material number of Qualified Securities exercising their right under applicable legislation to withdraw from their purchase of Qualified Securities or, in the sole opinion of an Agent might reasonably be expected to have a significant adverse effect on the market price or value of the Qualified Securities, such Agent shall be entitled, at its sole option, in accordance with Section 15(g), to terminate its obligations under this Agreement by written notice to that effect given to the Corporation at any time prior to the Closing Time or the Option Closing Time, as applicable.

(f) *Non-Compliance With Conditions*

The Corporation agrees that all terms and conditions of this Agreement (including without limitation the conditions set forth in Section 14) shall be construed as conditions and complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use its best efforts to

cause such conditions to be complied with, and that any failure by it to comply with, or any breach of, or failure to satisfy any such conditions shall entitle the Agents to terminate their obligations under this Agreement by notice to that effect given to the Corporation at or prior to the Closing Time or the Option Closing Time, as applicable, unless otherwise expressly provided in this Agreement. The Agents may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agents only if such waiver or extension is in writing and signed by the Agents.

(g) *Exercise of Termination Rights*

The rights of termination contained in Sections 15(a), (b), (c), (d), (e) and (f) may be exercised by the Agents in addition to any other rights or remedies that the Agents may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the Agents to the Corporation or on the part of the Corporation to the Agents except in respect of any liability which may have arisen prior to or arise after such termination under any of Sections 16 and 17.

(h) *Other Termination*

Notwithstanding the foregoing and for the avoidance of doubt, this Agreement may be terminated at any time at or prior to the Closing Time or the Option Closing Time, as applicable, upon the mutual written agreement of the Corporation and the Lead Agent, on behalf of the Agents, if the parties hereto decide not to proceed with the Offering.

16. Indemnities

The Corporation agrees to indemnify and save harmless the Agents and each of their affiliates, and their respective directors, officers, employees, partners, agents and advisors, including the Selling Firms (provided that each such Selling Firm is in compliance with the covenants and obligations of the Agents set forth herein (as if such Selling Firm were an Agent) and their counsel, including Agents' Counsel) (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**"), from and against any and all losses (except loss of profit), claims, actions, suits, proceedings, damages, liabilities or expenses of whatsoever nature or kind, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of their counsel in connection with any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the "**Claims**") to which an Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the performance of professional services rendered to the Corporation by an Indemnified Party hereunder, whether performed before or after the Corporation's execution of this Agreement, without limitation, in connection with Claims relating to or arising from the following:

- (a) any information or statement (except any information or statement relating solely to or provided by the Agents) contained in the Prospectus and any Prospectus Amendment, which at the time and in light of the circumstances under which it was made contains or is alleged to contain a misrepresentation or any omission or any alleged omission to state therein any fact or information (except facts or information relating solely to the Agents and provided by the Agents) required to be stated

therein or necessary to make any of the statements therein not misleading in light of the circumstances in which they are made;

- (b) the omission or alleged omission to state in any certificate of the Corporation or of any officers of the Corporation delivered in connection with the Offering any material fact (except facts or information relating solely to the Agents and provided by the Agents) required to be stated therein where such omission or alleged omission constitutes or is alleged to constitute a misrepresentation;
- (c) any order made or any inquiry, investigation or proceeding commenced or threatened by any securities regulatory authority, stock exchange or by any other competent authority, based upon any misrepresentation (as defined in the *Securities Act* (Ontario)) or alleged misrepresentation (except a misrepresentation relating solely to the Agents and provided by the Agents) in the Prospectus and any Prospectus Amendment (except any document or material delivered or filed solely by the Agents) based upon any failure or alleged failure to comply with Applicable Securities Laws (other than any failure or alleged failure to comply by the Agents) preventing and restricting the trading in or the sale of the Qualified Securities;
- (d) the non-compliance or alleged non-compliance by the Corporation with any material requirement of Applicable Securities Laws, including the Corporation's non-compliance with any statutory requirement to make any document available for inspection; or
- (e) a material breach of any representation, warranty or covenant of the Corporation contained in this Agreement or the failure of the Corporation to comply in all material respects with any of its obligations hereunder,

and further agrees to reimburse each Indemnified Party forthwith upon demand for any legal or other expenses reasonably incurred by such Indemnified Party in connection with any Claim.

The Corporation also agrees that no Indemnified Party shall have any liability (either direct or indirect, in contract or tort or otherwise) to the Corporation or any person asserting Claims on the Corporation's behalf or in right for or in connection with this Agreement, except to the extent that any losses, expenses, Claims, actions, damages or liabilities incurred by the Corporation are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted from the Indemnified Party's breach of this Agreement, or the gross negligence, wilful misconduct, or fraud of such Indemnified Party.

In the event and to the extent that a court of competent jurisdiction in a final judgement that has become non-appealable determines that an Indemnified Party breached this Agreement, or was grossly negligent or guilty of wilful misconduct or fraud in connection with a Claim in respect of which the Corporation has advanced funds to the Indemnified Party pursuant to this indemnity, such funds shall be reimbursed to the Corporation and thereafter this indemnity shall not apply to such Indemnified Party in respect of such Claim.

In case any action, suit, proceeding or Claim is brought against an Indemnified Party or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Corporation, the Indemnified Party will give the Corporation prompt written notice of any such action, suit, proceeding, Claim or investigation of which the Indemnified Party has knowledge and the Corporation will undertake the investigation and

defence thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Parties affected and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve the Corporation of its obligation of indemnification hereunder unless (and only to the extent that) such failure results in forfeiture by the Corporation of substantive rights or defences or to the extent that the Corporation is materially prejudiced thereby.

No admission of liability and no settlement, compromise or termination of any action, suit, proceeding, Claim, or investigation shall be made without the Corporation's consent and the consent of the Indemnified Parties affected, such consents not to be unreasonably withheld.

Notwithstanding that the Corporation will undertake the investigation and defence of any Claim, an Indemnified Party will have the right to employ separate counsel with respect to any Claim and participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:

- (a) employment of such counsel has been authorized in writing by the Corporation;
- (b) the Corporation has not assumed the defence of the action within a reasonable period of time after receiving notice of the Claim;
- (c) the named parties to any such Claim include both the Corporation and the Indemnified Party and the Indemnified Party shall have been advised by counsel in writing that there may be a conflict of interest between the Corporation and the Indemnified Party; or
- (d) the Indemnified Party has been advised in writing by counsel that there are one or more defences available to the Indemnified Party which are different from or in addition to those available to the Corporation, which makes representation by the same counsel inappropriate.

The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.

If for any reason the foregoing indemnification is unavailable (other than in accordance with the terms hereof) to the Indemnified Parties (or any of them) or insufficient to hold them harmless, the Corporation will contribute to the amount paid or payable by the Indemnified Parties as a result of such Claims in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation on the one hand and the Indemnified Parties on the other, but also the relative fault of the parties and other equitable considerations which may be relevant. Notwithstanding the foregoing, the Corporation will in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any excess of such amount over the amount of the fees actually received by the Indemnified Parties hereunder in which case such fees and expenses will be for the Corporation's account.

The Corporation hereby acknowledges the Lead Agent as trustee for each of the other Indemnified Parties of the Corporation's covenants under this indemnity with respect to such persons and the Lead Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

The Corporation agrees that if any action, suit, proceeding or Claim shall be brought against, or an investigation has been commenced in respect of, the Corporation or the Corporation and an Agent,

and personnel of such Agent shall be required to testify, participate or respond in respect of or in connection with the Engagement, the Corporation will reimburse the Agent monthly for the time spent by its personnel in connection therewith at reasonable per diem rates together with such fees and disbursements and reasonable out-of-pocket expenses as may be incurred.

17. Expenses

Whether or not the transactions contemplated by this Agreement shall be completed, except as specifically provided below, all costs and expenses of or incidental to all other matters in connection with the transactions set out in this Agreement shall be borne directly by the Corporation, including without limitation:

- (a) all expenses of or incidental to the creation, issue, sale and delivery of the Securities;
- (b) all fees and expenses payable in connection with the qualification of the Offered Shares, the Warrants, the Additional Offered Shares and the Additional Warrants comprising the Offered Units and the Additional Offered Units, as applicable, for distribution and the fees relating to the listing of the Offered Shares, the Warrant Shares, the Additional Offered Shares, the Additional Warrant Shares and the Broker Warrant Shares on any exchange;
- (c) the fees and disbursements of the Corporation's Counsel;
- (d) the reasonable fees of Agents' Counsel in connection with the Offering up to a maximum of \$80,000 plus disbursements and GST and other applicable taxes;
- (e) all fees and expenses of the Auditors;
- (f) the reasonable fees and expenses relating to the marketing of the Qualified Securities (including "road shows", marketing meetings and marketing documentation);
- (g) all reasonable out-of-pocket expenses of the Agents including all travel expenses in connection with due diligence and marketing;
- (h) all costs incurred in connection with the preparation, printing and mailing of the Prospectus; and
- (i) all costs and expenses related to the Concurrent Private Placement;

and any applicable sales taxes applicable to any such amounts.

All expenses incurred by or on behalf of the Agents and all fees and disbursements of the Agents payable pursuant to the foregoing shall be deducted from the proceeds of the Offering in accordance with Section 13(b).

18. Press Releases

The Corporation shall provide the Agents with a copy of all press releases to be issued by the Corporation concerning the Offering prior to the issuance thereof and shall give the Agents a

reasonable opportunity to provide comments on any such press release. The Corporation shall cause any press release describing the Offering to include substantially the following language:

“NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.”

“This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities described herein. The securities offered have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. persons (as both such terms are defined in Regulation S promulgated under the U.S. Securities Act) absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities offered in any jurisdiction in which such offer, solicitation, or sale would be unlawful.”

19. Advertisements

The Corporation agrees, if requested by the Agents, to include a reference to the Agents and their role in any press release or other public communication issued by the Corporation with respect to the Offering. In any event, any press release issued by the Corporation after the execution of this Agreement until the earlier of the Closing and termination of this Agreement that mentions the Agents, shall be issued only after consultation with the Agents and in compliance with applicable Laws. If the Offering is successfully completed, and provided the Agents are not in breach of any material provision hereof, any Agent will be permitted to publish, at its own expense, such advertisements or announcements relating to the services provided hereunder in such newspaper or other publications as such Agent considers appropriate. The Corporation agrees that following the Closing Date, the Agents may place “tombstone” and other advertisements relating to their role in connection with the Offering.

20. Market Stabilization

In compliance with Applicable Securities Laws and in connection with the Offering, the Agents may effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

21. Delivery of Funds

For the purposes of this Section 21, the term “**Closing Date**” shall include “**Option Closing Date**”, where applicable.

In order to facilitate an efficient and timely closing at the Closing Time, the Agents or the Agents’ carrying broker (the “**Carrying Broker**”) may choose to deliver funds by certified cheque or wire transfer to the Corporation’s Counsel prior to the Closing Time. If the Agents or the Carrying Broker do so, the Corporation agrees: (a) that such delivery or transfer of funds prior to the Closing Time does not constitute a waiver by the Agents of any of the conditions of the Closing set out in this Agreement; and (b) to execute or cause the Corporation’s Counsel to execute such documents or undertakings as the Corporation and the Lead Agent may reasonably agree in connection with such delivery or transfer. Furthermore, the Corporation agrees that any such funds received from the Agents or the Carrying Broker prior to the Closing Time will be held by the Corporation’s Counsel in

trust solely for the benefit of the Agents until the Closing Time and, if the Closing does not occur at the scheduled Closing Time, such funds shall be immediately returned by the same method of delivery to the Agents or Carrying Broker, as applicable, without interest. Upon the satisfaction of the conditions of the Closing, the funds held by the Corporation's Counsel in trust for the Agents shall be deemed to be delivered by the Agents to the Corporation in satisfaction of the obligation of the Agents hereunder and upon such delivery the trust constituted by this Section 21 shall be terminated without further formality. For greater certainty, termination of the Closing without protest by the Lead Agent, on behalf of the Agents, that all deliveries have not been completed is conclusive evidence that the same have been completed and that the Closing has occurred and become effective and that the funds held by the Corporation's Counsel in trust for the Agents are irrevocably released to the Corporation without further act or formality.

22. Survival of Representations, Warranties, Covenants and Agreements

The representations, warranties, covenants and agreements of the Corporation and the Agents contained in this Agreement and in any certificate delivered pursuant to this Agreement or in connection with the purchase and sale of the Qualified Securities shall be true and correct at the Closing Time or the Option Closing Time, as applicable, and shall survive the purchase of the Qualified Securities and shall continue in full force and effect until three years following the Closing Date.

23. Conflict of Interest

The Corporation acknowledges that the Agents and their affiliates carry on a range of businesses, including providing stockbroking, investment advisory, research, investment management and custodial services to clients and trading in financial products as agent or principal. It is possible that the Agents and other entities in their respective groups that carry on those businesses may hold long or short positions in securities of companies or other entities, which are or may be involved in the transactions contemplated in this Agreement and effect transactions in those securities for their own account or for the account of their respective clients. The Corporation agrees that these divisions and entities may hold such positions and effect such transactions without regard to the Corporation's interests under this Agreement.

24. Fiduciary

The Corporation hereby acknowledges that the Agents are acting solely as agents in connection with the offer and sale of the Qualified Securities. The Corporation further acknowledges that the Agents are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Agents act or be responsible as fiduciaries to the Corporation, its management, shareholders or creditors or any other person in connection with any activity that the Agents may undertake or have undertaken in furtherance of such offer and sale of the Corporation's securities, either before or after the date hereof. The Agents hereby expressly disclaim any fiduciary or similar obligations to the Corporation, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Corporation hereby confirms its understanding and agreement to that effect. The Corporation and the Agents agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Agents to the Corporation regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Corporation's securities, do not constitute advice or recommendations to the Corporation. The Corporation and the Agents agree that the Agents are acting as principal and not the agents or fiduciaries of the Corporation and the

Agents have not, and the Agents will not assume, any advisory responsibility in favour of the Corporation with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether any Agent has advised or is currently advising the Corporation on other matters). The Corporation hereby waives and releases, to the fullest extent permitted by law, any claims that the Corporation may have against the Agents with respect to any breach or alleged breach of any fiduciary duty to the Corporation in connection with the transactions contemplated by this Agreement.

25. Notice

Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a “**Notice**”) shall be in writing addressed as follows:

- (a) If to the Corporation, addressed and sent to:

#21 - 1344 Summer Street
1344 Summer Street
Halifax, Nova Scotia B3H 0A8

Attention: Kimberly Stephens
Fax: (902) 442-4651
Email: kstephens@appilitherapeutics.com

with a copy (for information purposes only and not to constitute notice) to:

Dentons Canada LLP
77 King Street West, Suite 400
Toronto, Ontario M5K 0A1

Attention: Alex Farcas
Fax: (416) 863-4592
Email: alex.farcas@dentons.com

- (b) If to the Agents, addressed and sent to:

Bloom Burton Securities Inc.
65 Front Street East, Suite 300
Toronto, Ontario M5E 1B5

Attention: Jolyon Burton
Fax: (416) 640-7573
Email: jburton@bloomburton.com

Mackie Research Capital Corporation
199 Bay Street, Suite 4500
Toronto, Ontario M5L 1G2

Attention: David Keating
Email: dkeating@mackieresearch.com

Industrial Alliance Securities Inc.
26 Wellington Street East, Suite 700
Toronto, Ontario M5E 1S2

Attention: John Rak
Email: jrak@iagto.ca

Haywood Securities Inc.
200 Burrard Street, Suite 700
Vancouver, British Columbia V6C 3L6

Attention: Beng Lai
Email: blai@haywood.com

Richardson GMP Limited
145 King Street West, Suite 500
Toronto, Ontario M5H 2Y6

Attention: James Price
Email: james.price@richardsongmp.com

with a copy (for information purposes only and not to constitute notice) to:

McCarthy Tétrault LLP
500 Grande-Allée East, 9th Floor
Québec, Québec G1R 2J7

Attention: Myreille Gilbert
Fax : 418-521-3099
Email: mgilbert@mccarthy.ca

or to such other address as any of the persons may designate by Notice given to the others.

Each Notice shall be personally delivered or sent by commercial courier to the addressee or sent by fax or email to the addressee and:

- (i) a Notice which is couriered or personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and
- (ii) a Notice which is sent by fax or email shall be deemed to be given and received on the first Business Day following the day on which it is sent, provided that the sender has evidence of a successful transmission, such as a fax confirmation or email receipt confirmation.

26. Funds

All funds referred to in this Agreement shall be in Canadian dollars, unless otherwise expressly specified.

27. Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and shall supersede the letter agreement dated May 12, 2020 between the Corporation and the Lead Agent and any other prior arrangement or understanding with the Agents except for any provisions thereof which by their terms survive until the completion of the Offering.

28. Severability

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

29. Time of the Essence

Time shall be of the essence of this Agreement.

30. Governing Laws

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

31. Counterparts/Electronic Signatures

This Agreement may be executed by any one or more of the parties to this Agreement in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument. The transmission by facsimile or portable document format (.PDF) of a copy of the execution page hereof reflecting the execution of this Agreement by any party hereto shall be effective to evidence that party's intention to be bound by this Agreement and that party's agreement to the terms, provisions and conditions hereof all without the necessity of having to produce an original copy of such execution page.

(Signatures on the following pages)

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing this letter where indicated below and returning the same to the Agents, upon which this letter as so accepted shall constitute an agreement among us.

Yours very truly,

BLOOM BURTON SECURITIES INC.

By: (s) Michael Pollard
Name: Michael Pollard
Title: Managing Director, Investment Banking

MACKIE RESEARCH CAPITAL CORPORATION

By: (s) David Keating
Name: David Keating
Title: Managing Director, Head of Equity Markets
Co-Head Capital Markets

INDUSTRIAL ALLIANCE SECURITIES INC.

By: (s) John Rak
Name: John Rak
Title: Managing Director, Investment Banking

HAYWOOD SECURITIES INC.

By: (s) Beng Lai
Name: Beng Lai
Title: Managing Director, Investment Banking

RICHARDSON GMP LIMITED

By: (s) Andrew Marsh
Name: Andrew Marsh
Title: Chief Executive Officer & President

The foregoing is accepted and agreed to as of the date first above written.

APPILI THERAPEUTICS INC.

By: (s) Kimberly Stephens
Name: Kimberly Stephens
Title: Chief Financial Officer

Schedule A
COMPLIANCE WITH UNITED STATES SECURITIES LAWS

A. Definitions

Capitalized terms used in this Schedule A and not defined herein shall have the meanings ascribed thereto in the Agreement to which this Schedule is attached, and the following terms shall have the meanings indicated:

- (a) **"Dealer Covered Person"** has the meaning set forth in paragraph B.12 below;
- (b) **"Directed Selling Efforts"** means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule A, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Qualified Securities and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of any such securities;
- (c) **"Disqualification Event"** means any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D;
- (d) **"General Solicitation"** or "General Advertising" means "general solicitation" or "general advertising", as used in Rule 502(c) under the U.S. Securities Act, including, without limitation, any advertisements, articles, notices or other communications published on the internet or in any newspaper, magazine or similar media or broadcast over radio, television, or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
- (e) **"Non-Brokered Offering"** means the offer and sale of Units directly by the Corporation being conducted concurrently with the Offering;
- (f) **"Offshore Transaction"** means an "offshore transaction" as that term is defined in Rule 902(h) of Regulation S;
- (g) **"U.S. QIB Letter"** has the meaning set forth in paragraph B.8 below;
- (h) **"Securities"** means the Offered Units, the Offered Shares, the Warrants, the Warrant Shares, the Additional Units, the Additional Offered Shares, the Additional Warrants, and the Additional Warrant Shares;
- (i) **"U.S. Subscription Agreement"** has the meaning set forth in paragraph B.8 below; and
- (j) **"Substantial U.S. Market Interest"** means "substantial U.S. market interest" as that term is defined in Rule 902(j) of Regulation S.

B. Representations, Warranties and Covenants of the Agents

The Agents acknowledge and agree that the Securities have not been and will not be registered under the U.S. Securities Act or applicable state securities laws, and the Securities may be offered and sold only in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, each Agent represents, warrants and covenants to and with the Corporation, as at the date hereof, the Closing Date and any Option Closing Date, that:

1. Neither the Agent, any U.S. Placement Agent appointed by the Agent, their respective affiliates or any person acting on any of its or their behalf has offered or will offer any Securities except: (a) in Offshore Transactions, in accordance with Rule 903 of Regulation S; and (b) to, or for the account or benefit of, persons in the United States and U.S. Persons that are U.S. Accredited Investors and/or Qualified Institutional Buyers purchasing pursuant to the exemption from the registration requirements of the U.S. Securities Act afforded by Rule 506(b) of Regulation D and in compliance with similar exemptions under applicable state securities laws as provided in paragraphs 2 through 12 below. Accordingly, none of the Agent, any U.S. Placement Agent appointed by the Agent, their respective affiliates or any person acting on any of their behalf, has made or will make (except as permitted in paragraphs 2 through 13 below): (i) any offer to sell, or any solicitation of an offer to buy, any Securities to, or for the account or benefit of, a person in the United States or a U.S. Person; (ii) any sale of Securities to any Purchaser unless, at the time the buy order was or is originated, the Purchaser was outside the United States and not a U.S. Person, and not acting for the account or benefit of a person in the United States or a U.S. Person, or the Agent, any U.S. Placement Agent appointed by the Agent, their respective affiliates or any person acting on any of their behalf reasonably believed that such Purchaser was outside the United States and not a U.S. Person and not acting for the account or benefit of a person in the United States or a U.S. Person; or (iii) any Directed Selling Efforts. The Agent has not made any offers or sales of Units in the Non-Brokered Offering.
2. The Agent has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Securities, except with any U.S. Placement Agent appointed by it, any other Selling Firm appointed by it or with the prior written consent of the Corporation. It shall require such U.S. Placement Agent and any such Selling Firm to agree in writing, for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure that such U.S. Placement Agent and such other Selling Firm complies with, the same provisions of this Schedule A as applies to the Agent as if such provisions applied to such U.S. Placement Agent and such other Selling Firm.
3. All offers of Securities by the Agent for sale by the Corporation to, or for the account or benefit of, persons in the United States and U.S. Persons have been and shall be made only by a U.S. Placement Agent, which is a U.S. broker-dealer registered pursuant to Section 15(b) of the U.S. Exchange Act and under the securities laws of each state in which offers and sales were or will be made (unless exempted from the respective state's broker-dealer registration requirements) and in good standing with the Financial Industry Regulatory Authority, Inc. on the date of each such offer and sale, in compliance with all applicable U.S. federal and state broker-dealer requirements.
4. Offers of Securities by the Agent through a U.S. Placement Agent to, or for the account or benefit of, persons in the United States and U.S. Persons have not been made and shall not be made (i) by any form of General Solicitation or General Advertising, or (ii) in a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.

5. Any offer of, or solicitation of an offer to buy, Securities that has been made or will be made by the Agent through a U.S. Placement Agent to, or for the account or benefit of, a person in the United States or a U.S. Person was or will be made only to U.S. Accredited Investors and/or Qualified Institutional Buyers, as applicable.
6. The Agent, acting through a U.S. Placement Agent, has offered and will offer the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons only to offerees with respect to which the Agent or the U.S. Placement Agent has a pre-existing business relationship. Immediately prior to transmitting the U.S. Memorandum, the Agent had reasonable grounds to believe and did believe that each offeree was either (i) a U.S. Accredited Investor or (ii) a Qualified Institutional Buyer and, on the date hereof, it continues to believe that each Purchaser that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person is either (i) a U.S. Accredited Investor or (ii) a Qualified Institutional Buyer, as applicable.
7. Each offeree of Securities offered by the Agent through a U.S. Placement Agent that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person has been or shall be provided with a copy of the U.S. Memorandum, in the form agreed to by the Corporation and the Agents, including the Base Prospectus or the Prospectus. Prior to any sale of Securities by the Corporation to, or for the account or benefit of, a person in the United States or a U.S. Person identified by the Agent through a U.S. Placement Agent, each such Purchaser shall be provided with a copy of the final U.S. Memorandum, including the Prospectus, and no other written material shall be used in connection with the offer or sale of the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons.
8. Prior to the completion of any sale by the Corporation of Securities to, or for the account or benefit of, a person in the United States or a U.S. Person identified by the Agent through a U.S. Placement Agent, each such Purchaser that is a U.S. Accredited Investor will be required to execute and deliver to the Corporation a U.S. Subscription Agreement in the form attached as Exhibit B to the final U.S. Memorandum (the “**U.S. Subscription Agreement**”), and each such Purchaser that is a Qualified Institutional Buyer will be required to execute and deliver to the Corporation a Qualified Institutional Buyer Letter in the form attached as Exhibit A to the final U.S. Memorandum (the “**U.S. QIB Letter**”).
9. Prior to the Closing Date and any Option Closing Date, the Agent and the associated U.S. Placement Agent that has offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons will provide the Corporation and the Transfer Agent with a list of all Purchasers of the Securities identified by such Agent and U.S. Placement Agent that are, or are purchasing for the account or benefit of, persons in the United States and U.S. Persons, or who were offered Securities in the United States. Prior to the Closing Date and any Option Closing Date, the Agent will provide the Corporation with copies of all U.S. Subscription Agreements and all U.S. QIB Letters, duly executed by such Purchasers for acceptance by the Corporation.
10. At Closing, the Agent and the associated U.S. Placement Agent that has offered or sold Securities to, or for the account or benefit of, persons in the United States and U.S. Persons will provide a certificate, substantially in the form of Exhibit 1 to this Schedule A, relating to the manner of the offer and sale of the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons or the Agent will be deemed to have represented and warranted that no offers or sales of the Securities were made by it in the United States.

11. None of the Agent, any U.S. Placement Agent appointed by them, their respective affiliates or any person acting on any of their behalf has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act with respect to the offer or sale of the Securities.
12. As of the Closing Date and any Option Closing Date, with respect to Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D, none of (i) the Agent or any U.S. Placement Agent appointed by the Agent, (ii) the Agent's or such U.S. Placement Agent's general partners or managing members, (iii) any of the Agent's or such U.S. Placement Agent's directors, executive officers or other officers participating in the offering of the Securities, (iv) any of the Agent's or such U.S. Placement Agent's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Securities or (v) any other person associated with any of the above persons, including any Selling Firm appointed by such Agent and any such persons related to such Selling Firm, that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with sale of Securities (each, a **"Dealer Covered Person"** and, collectively, the **"Dealer Covered Persons"**), is subject to any Disqualification Event.
13. As of the Closing Date and any Option Closing Date, the Agent is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the sale of any Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D.
14. The Agent acknowledges that the Broker Warrants and the underlying Broker 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. In connection with the issuance of the Broker Warrants to it, the Agent represents, warrants and covenants that (i) it is acquiring the Broker Warrants as principal for its own account and not for the benefit of any other person; (ii) it is not a U.S. Person and is not acquiring the Broker Warrants in the United States, or on behalf of a U.S. Person or a person located in the United States; and (iii) this Agreement was executed and delivered outside the United States. The Agent acknowledges and agrees that the Broker Warrants may not be exercised in the United States or by or on behalf or for the benefit of a U.S. Person or a person in the United States, unless such exercise is exempt from registration under the U.S. Securities Act and the applicable securities laws of any state of the United States.

C. Representations, Warranties and Covenants of the Corporation

The Corporation acknowledges and agrees that the Securities have not been and will not be registered under the U.S. Securities Act or applicable state securities laws, and the Securities may be offered and sold only in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Corporation represents, warrants, covenants and agrees to and with the Agents, as of the date hereof, the Closing Date and any Option Closing Date, that:

1. The Corporation is a "foreign issuer", within the meaning of Rule 902(e) of Regulation S, and reasonably believes that there is no Substantial U.S. Market Interest in the Securities or any class of the Corporation's equity securities.
2. The Corporation is not, and as a result of the sale of the Securities and the application of the proceeds thereof will not be, an "investment company", as defined in the United States

Investment Company Act of 1940, as amended, registered or required to be registered under such Act.

3. During the period in which the Securities are offered for sale, none of it, its affiliates, or any person acting on any of their behalf (other than the Agents, the U.S. Placement Agents, any other Selling Firm, any of their respective affiliates, or any person acting on any of their behalf in respect of which no representation, warranty, covenant or agreement is made): (i) has made or will make any Directed Selling Efforts; or (ii) has engaged in or will engage in any form of General Solicitation or General Advertising with respect to offers or sales of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, or (iii) has taken or will take any action that would constitute a public offering of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons within the meaning of Section 4(a)(2) of the U.S. Securities Act.
4. For a period beginning six months prior to the commencement of the Offering and ending six months after completion of the Offering, none of it, its affiliates or any person acting on any of their behalf (other than the Agents, the U.S. Placement Agents, any other Selling Firm, any of their respective affiliates, or any person acting on any of their behalf in respect of which no representation, warranty, covenant or agreement is made) has sold, offered for sale or solicited any offer to buy, or will sell, offer for sale or solicit any offer to buy, any of the Corporation's securities in a manner that would be integrated with the offer and sale of the Securities and would cause the exemption from registration set forth in Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Securities.
5. During the period in which the Securities are offered for sale, none of the Corporation, its affiliates, or any person acting on any of their behalf (other than the Agents, the U.S. Placement Agents, any other Selling Firm, any of their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty, covenant or agreement is made) has taken or will take any action (i) in violation of Regulation M under the U.S. Exchange Act in connection with the offer or sale of the Securities or (ii) that would cause the exemption afforded by Rule 506(b) of Regulation D to be unavailable for offers and sales of the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons in accordance with the Agreement, or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Securities outside the United States to non-U.S. Persons in accordance with the Agreement.
6. Within 15 days of the first sale of the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons, the Corporation will file a Form D, Notice of Sale, with the United States Securities and Exchange Commission and any required notice filing with the applicable state securities commissions in connection with the offer and sale of such Securities.
7. Neither the Corporation nor any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction, temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
8. Except with respect to offers and sales of Securities in accordance with this Agreement (including this Schedule A) to U.S. Accredited Investors and Qualified Institutional Buyers in reliance upon the exemption from registration afforded by Rule 506(b) of Regulation D, none of the Corporation, its affiliates, or any person acting on their behalf (other than the Agents, the U.S. Placement Agents, any other Selling Firm, any of their respective affiliates or any person acting on any of their behalf, in respect of which no representation, warranty,

covenant or agreement is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Securities to, or for the account or benefit of, persons in the United States or U.S. Persons; or (B) any sale of Securities unless, at the time the buy order was or will have been originated, the Purchaser is (i) outside the United States and not a U.S. Person, not acting for the account or benefit of a person in the United States or a U.S. Person, or (ii) the Corporation, its affiliates, and any person acting on their behalf reasonably believes that the Purchaser is outside the United States and not a U.S. Person, and not acting for the account or benefit of a person in the United States or a U.S. Person.

9. As of the Closing Date and any Option Closing Date, with respect to the offer and sale of the Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D, none of the Corporation, any of its predecessors, any “affiliated” (as such term is defined in Rule 501(b) of Regulation D) issuer, any director, executive officer or other officer of the Corporation participating in the offering of the Securities, any beneficial owner of 20% or more of the Corporation’s outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale of the Securities (other than any Dealer Covered Person, as to whom no representation, warranty, acknowledgement, covenant or agreement is made) is subject to any Disqualification Event.
10. As of the Closing Date and any Option Closing Date, the Corporation is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the sale of any Securities.
11. None of the Corporation or any of its predecessors has had the registration of a class of securities under the U.S. Exchange Act revoked by the U.S. Securities and Exchange Commission pursuant to Section 12(j) of the U.S. Exchange Act and any rules or regulations promulgated thereunder.
12. Upon receipt of a written request from a Purchaser in the United States, the Corporation shall make a determination if the Corporation is a “passive foreign investment company” (a “**PFIC**”) within the meaning of section 1297(a) of the United States Internal Revenue Code of 1986, as amended (the “**Code**”), during any calendar year following the purchase of the Securities by such Purchaser, and if the Corporation, as applicable, determines that it is a PFIC during such year, the Corporation will provide to such Purchaser, upon written request, all information that would be required to permit a United States shareholder to make an election to treat the Corporation as a “qualified electing fund” for the purposes of the Code.
13. All offers and sales of Units in the Non-Brokered Offering have been made only by the Corporation in Offshore Transactions in compliance with Rule 903 of Regulation S.

EXHIBIT 1
TO SCHEDULE A
AGENTS' CERTIFICATE

In connection with the private placement in the United States of the Securities of Appili Therapeutics Inc. (the "**Corporation**") pursuant to the agency agreement dated effective as of June 5, 2020 by and between the Corporation and the Agents named therein (the "**Agreement**"), the undersigned do hereby certify as follows:

1. • (the "**U.S. Placement Agent**") was on the date of each offer and sale of Securities to, or for the account or benefit of, a person in the United States or a U.S. Person, and is on the date hereof, a duly registered broker-dealer with the United States Securities and Exchange Commission and under the securities laws of each state in which such offers and sales were made (unless exempted from the respective state's broker-dealer registration requirements) and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc.
2. All offers and sales of the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons have been conducted by us through the U.S. Placement Agent and in accordance with the terms of the Agreement (including Schedule A thereto) and all applicable U.S. federal and state broker-dealer requirements.
3. Immediately prior to offering Securities to each offeree that was, or was acting for the account or benefit of, a person in the United States or a U.S. Person (each, a "**U.S. Offeree**"), we had reasonable grounds to believe and did believe that each U.S. Offeree was a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable, and, on the date hereof, we continue to believe that each U.S. Offeree purchasing the Securities from the Corporation is a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable.
4. Each U.S. Offeree of Securities was provided with a copy of the U.S. Memorandum, in the form agreed to by the Corporation and the Agents, including the Base Prospectus or the Prospectus, and each Purchaser of Securities who is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, or was offered Securities in the United States, was provided with a copy of the U.S. Memorandum, including the Prospectus, and no other written material was used in connection with the offer and sale of the Securities to, or for the account or benefit of, a person in the United States or a U.S. Person;
5. No form of "general solicitation" or "general advertising" (as those terms are used in Rule 502(c) of Regulation D) was used by us, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the internet or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer and sale of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons.
6. Prior to any sale of Securities to a U.S. Offeree, we caused each such U.S. Offeree who is a Qualified Institutional Buyer to execute and deliver a U.S. QIB Letter in the form of Exhibit A

to the final U.S. Memorandum and each such U.S. Offeree who is a U.S. Accredited Investor (and not a Qualified Institutional Buyer) to execute and deliver a U.S. Subscription Agreement in the form of Exhibit B to the final U.S. Memorandum.

7. Neither we nor any of our affiliates have taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act with respect to the offer or sale of the Securities.
8. None of (i) the undersigned, (ii) the undersigned's general partners or managing members, (iii) any of the undersigned's directors, executive officers or other officers participating in the offering of the Securities, (iv) any of the undersigned's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Securities or (v) any other person associated with any of the above persons, including any Selling Firm and any such persons related to such Selling Firm, that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with sale of Securities (each, a "**Dealer Covered Person**"), is subject to any Disqualification Event.
9. The undersigned represents that it is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the sale of any Securities to, or for the account or benefit of, persons in the United States or U.S. Persons.
10. The offering of the Securities has been conducted by us in accordance with the terms of the Agreement, including Schedule A thereto.

DATED this ___ day of _____, 2020.

[AGENT]

[U.S. PLACEMENT AGENT]

Name:
Title:

Name:
Title: