HLS Therapeutics Inc.

HLS THERAPEUTICS INC.
BOUGHT DEAL PROSPECTUS OFFERING OF COMMON SHARES

Term Sheet **May 14, 2019**

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in in each of the provinces of Canada, except Quebec. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities. Copies of the preliminary short form prospectus may be obtained from GMP Securities L.P. Attention: Equity Capital Markets at ecm@gmpsecurities.com or Bloom Burton Securities Inc. Attention: Equity Capital Markets at ecm@bloomburton.com.

There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, final short form prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

All amounts in Canadian dollars ($)

Issuer:	HLS Therapeutics Inc. (the "Company").
Offering:	2,718,750 common shares of the Company (the "Shares") for aggregate gross proceeds of $43,500,000 (which amount does not include the exercise of the Over-Allotment Option) (the "Offering").
Issue Price:	$16.00 per Share (the "Issue Price").
Form of Offering:	Bought deal by way of short form prospectus to be filed in in each of the provinces of Canada, except Quebec, and by way of private placement in the United States pursuant to the exemption from registration provided for under Rule 144A of the United States Securities Act, as amended, and applicable state securities laws, and in such other jurisdictions outside of Canada and the United States as are agreed to by the Company and the Joint Bookrunners, in each case provided that no prospectus, registration statement or other similar document is required to be filed in such jurisdiction and that the Company will not be or become subject to any continuous disclosure obligations in such jurisdiction.
Over-Allotment Option:	The Company has granted the Underwriters an Over-Allotment Option, exercisable in whole or in part, at any time and from time to time for a period of 30 days following closing, to purchase at the Issue Price up to that number of additional Shares as is equal to 15% of aggregate number of Shares purchased in the Offering, to cover over-allotments, if any, and for market stabilization purposes.
Listing:	The common shares of the Company trade on the Toronto Stock Exchange under the symbol "HLS".
Eligibility:	The Shares will be qualified investments under the Income Tax Act (Canada) for RRSPs, RESPs, RRIFs, RDSPs, DPSPs, and TFSAs.
Use of Proceeds:	The net proceeds of the Offering will be used for business development activities, to support the launch of HLS's growing pipeline of products and for working capital and general corporate purposes.
Commission	5.5% cash fee plus that number of broker warrants equal to 5.5% of the Shares sold under the Offering and the Over-Allotment Option, each such broker warrant entitling the holder to acquire one Share at the Issue Price for a period 24 months after the Closing Date.
Closing Date:	On or about June 5, 2019.
Joint Bookrunners:	GMP Securities L.P. and Bloom Burton Securities Inc.

GMP Securities Griffiths McBurney

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