

**FORM 51-102F3**  
**Material Change Report**

**1. Name and Address of Corporation:**

Medexus Pharmaceuticals Inc. (formerly Pediapharm Inc.) (the "**Corporation**")  
1 Place du Commerce,  
Suite 225 Verdun, QC H3E 1A2

**2. Date of Material Changes:**

December 12, 2018 and December 17, 2018

**3. News Releases:**

News releases relating to the material changes described herein were released on December 13, 2018 and December 17, 2018, through the facilities of GlobeNewswire.

**4. Summary of Material Changes:**

***December 12, 2018***

On December 13, 2018, the Corporation announced that at the annual general and special meeting of shareholders held on December 12, 2018 (the "**Meeting**") the shareholders approved the change of the Corporation's name to Medexus Pharmaceuticals Inc. (the "**Name Change**") and the consolidation of its outstanding common shares on the basis of one (1) post consolidation share for every fifteen (15) pre-consolidation shares (the "**Consolidation**"). The Corporation also confirmed the approval of all motions at the Meeting.

The Corporation further announced that it had repaid its outstanding 2015 debentures for an aggregate of \$5,743,833 on December 12, 2018.

The common shares of the Corporation began trading on the TSX Venture Exchange ("**TSXV**") under the new corporate name, on a post-Consolidation basis, and under the new stock symbol "MDP" at market opening on December 19, 2018.

***December 17, 2018***

The Corporation announced organizational changes designed to better position the Corporation as it continues to integrate the transformative acquisitions of Medexus Inc., and medac Pharma, Inc. The changes included the appointment of Mr. d'Entremont as Chief Executive Officer of the Corporation and the appointment of Peter van der Velden as Chair of the board of directors ("**Board**"). The Corporation also announced that the Board approved the issuance of 1,884,219 restricted share units ("**RSUs**") and 3,333 stock options ("**Options**") (each, on a post-Consolidation basis), all to be issued effective December 19, 2018.

## 5. Full Description of Material Changes:

### 5.1 Full Description of Material Change

#### December 12, 2018

##### *Name Change and Consolidation*

On December 13, 2018, the Corporation announced that at the Meeting, the Corporation's shareholders approved the Name Change and the Consolidation. The common shares of the Corporation began trading on the TSXV under the new corporate name, on a post-Consolidation basis, and under the new stock symbol "MDP" at market opening on December 19, 2018. The number outstanding and exercise price of all the Corporation's currently outstanding convertible securities, including warrants, compensation warrants, convertible debentures and stock options will also be adjusted to give effect to the Consolidation.

##### *Shareholder Meeting Results*

In addition to the Name Change and Consolidation, the Corporation announced that at the Meeting, shareholders of the Corporation elected each nominated director, appointed PricewaterhouseCoopers LLP, Chartered Accountants as the auditors of the Corporation, ratified the adoption of the Corporation's 2018 omnibus equity incentive compensation plan (the "**Plan**"), and, with certain interested shareholders abstaining, approved the increase of the number of equity grants available to insiders of the Corporation to up to 20% of the total issued and outstanding Common Shares as at December 12, 2018, as well as certain individual grants proposed by the Corporation that exceed 1% of the issued and outstanding common shares of the Corporation.

##### *Repayment of 2015 Debentures*

The Corporation also announced on December 13, 2018 that it repaid its outstanding convertible secured debentures issued in 2015 (the "**Debentures**"), for a total aggregate payment of \$5,743,833, representing the principal amount of the Debentures and accrued interest thereon, plus the required 2% early repayment fee. The payments were made on December 12, 2018.

#### December 17, 2018

##### *Organizational and Corporate Updates*

On December 17, 2018, the Corporation announced that the Board appointed Ken d'Entremont as Chief Executive Officer of the Corporation, and that Sylvain Chretien was appointed as President of the Canadian Operations of the Company, and Terri Shoemaker as President of United States Operations of the Company.

In addition, the Corporation announced that Pierre Lapalme, the Chair of the Board, determined to step down as a member of the Board effective December 19, 2018, and that Peter van der Velden would be appointed as Chair of the Board effective upon Mr. Lapalme's resignation.

*Equity Incentive Grants*

The Corporation also announced on December 17, 2018 that the Board approved the issuance of an aggregate of 1,884,219 RSUs (28,263,332 RSUs before giving effect to the Consolidation) to certain directors, officers and employees of the Corporation, and 3,333 Options (50,000 Options before giving effect to the Consolidation) to a director of the Corporation under the Plan. The Corporation issued all RSUs and Options effective December 19, 2018. The RSUs will vest in equal amounts upon the first, second, third and fourth anniversaries of the effective issuance date and the Options vested immediately. The exercise price of the Options is \$4.50, which is the closing price of the Corporation's common shares on December 18, 2018. Each vested RSU and Option entitles the holder to receive one common share of the Corporation by delivering an exercise notice in accordance with the Plan and the terms of the applicable award agreement.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:**

Not applicable.

**7. Omitted Information:**

Not applicable.

**8. Executive Officer Knowledgeable of Material Changes:**

Roland Boivin, Chief Financial Officer  
Roland.boivin@pedia-pharm.com  
514-762-2626 ext. 202

**9. Date of Report:**

December 19, 2018