



**MEDEXUS PHARMACEUTICALS INC.**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON SEPTEMBER 15, 2022**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**Dated: August 5, 2022**



## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the annual meeting (the “**Meeting**”) of the shareholders of Medexus Pharmaceuticals Inc. (the “**Corporation**”) will be held virtually via live webcast at <https://meetnow.global/MPTCL74>, on Thursday, September 15, 2022 at 10:00 am (Toronto time) for the following purposes:

1. to receive the audited consolidated annual financial statements of the Corporation as at and for the year ended March 31, 2022, together with the report of the auditors’ thereon;
2. to elect members of the Board of Directors of the Corporation (the “**Board**”) for the ensuing year;
3. to appoint the auditors of the Corporation for the ensuing year and to authorize the Board to fix such auditors’ remuneration;
4. to consider and approve a new Long Term Incentive Plan, as more fully described in the accompanying management information circular; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment(s) of the Meeting.

**This year, registered shareholders and duly appointed proxyholders are invited to attend the Meeting by live webcast, which will enable registered shareholders and duly appointed proxyholders to submit questions and vote online.** Non-registered shareholders holding common shares beneficially through an intermediary (“**Non-Registered Shareholders**”) who have not appointed themselves may attend the live webcast of the Meeting, but will not have the ability to vote virtually or ask questions.

The accompanying form of proxy or voting instruction form includes detailed instructions on how to attend and vote virtually at the Meeting.

**INSTRUCTIONS FOR ATTENDING THE MEETING VIA LIVE WEBCAST:** Shareholders and, and duly appointed proxyholders are invited to attend the Meeting virtually via live webcast, by going to <https://meetnow.global/MPTCL74>.

- For Registered Shareholders and Duly Appointed Proxyholders:
  - Registered Shareholders: click on “Shareholder” and enter your 15-digit control number located on the form of proxy or in the email notification you received.
  - Duly Appointed Proxyholders: click on “Shareholder” and enter your Invite Code provided by Computershare after the voting deadline has passed.
- For Non-registered Shareholders:
  - Click on “Guest” and complete the online form; however, non-registered shareholders will not be able to vote or submit questions at the Meeting.

### **Voting by Proxy, Telephone, or Online**

If you are unable to attend the Meeting, then we invite you to date, sign, and return the enclosed form of proxy. Proxies to be used at the Meeting must be deposited with Computershare (Attention: Proxy Department), 8th Floor, 100

University Avenue, Toronto, Ontario M5J 2Y1 before 10:00 am (Toronto time) on September 13, 2022. Late proxies may be accepted or rejected by the Chair of the Meeting in their discretion, and the Chair is under no obligation to accept or reject any particular late proxy. Shareholders may also elect to vote by use of the telephone or via the internet in accordance with the instructions on the applicable form of proxy.

Non-Registered Shareholders wishing to be represented by proxy at the Meeting or any adjournment(s) of the Meeting must have deposited their completed voting instruction form in accordance with the directions provided on their voting instruction form.

Shareholders, including Non-Registered Shareholders, who wish to appoint a third party proxyholder to represent them at the Meeting **must submit their proxy or voting instruction form before registering their proxyholder. Registering the proxyholder is an additional step once the shareholder has submitted their proxy or voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving an Invite Code that would allow them to participate in the online Meeting.**

To register a proxyholder, shareholders **must** visit <https://www.computershare.com/medexus> and provide Computershare with their proxyholder's contact information by 10:00 am (Toronto time) on September 13, 2022, so that Computershare may provide the proxyholder with an Invite Code via email. **In order to participate online, shareholders must have a valid 15-digit control number and proxyholders must have received an email from Computershare containing an Invite Code.**

The virtual meeting platform is fully supported across most commonly used web browsers (note: Internet Explorer is not a supported browser). We encourage you to access the meeting prior to the start time. **It is important that you are connected to the internet at all times during the meeting in order to vote when balloting commences.**

**A Management Information Circular is attached to the present Notice of Meeting. Shareholders are reminded to review the Management Information Circular before voting.**

**BY ORDER OF THE BOARD OF DIRECTORS OF  
MEDEXUS PHARMACEUTICALS INC.**

(signed) *Peter van der Velden*

Peter van der Velden

Chair of the Board

Toronto, August 5, 2022

**MEDEXUS PHARMACEUTICALS INC.**  
(the “Corporation”)

**INFORMATION CIRCULAR**

(Containing information as of August 5, 2022, unless indicated otherwise)

**SOLICITATION OF PROXIES**

**This management information circular (the “Information Circular”) is provided in connection with the solicitation of proxies by and on behalf of the management of the Corporation for use at the annual meeting of shareholders (the “Meeting”) of the Corporation to be held on September 15, 2022 at the time and place and for the purposes set out in the attached Notice of Meeting and any adjournment(s) of the Meeting (“Meeting Adjournment”).**

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile, internet, email or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares (defined below) held of record by such persons. The Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so, meaning that these costs will be borne by the Corporation.

If you cannot attend the Meeting, complete and return the enclosed form of proxy in accordance with the instructions contained within that form. Shareholders may also elect to vote by use of the telephone or via the internet in accordance with the instructions on the applicable form of proxy.

**APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES**

Each of the persons named in the enclosed form of proxy (the “**Management Designees**”) is a director (“**Directors**”) of the Board of Directors of the Corporation (the “**Board**” or the “**Board of Directors**”) and/or officer of the Corporation. **A shareholder has the right to appoint as their proxy a person or company, who need not be a shareholder of the Corporation, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent them at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy, or by completing and signing another proper form of proxy, and, in either case, then registering the proxyholder at <https://www.computershare.com/medexus>. (See “Instructions for Attending and Voting Virtually at the Meeting — Registration of Proxyholders” below for details.) Securities represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly.

A form of proxy will not be valid for the Meeting or any Meeting Adjournment unless it is completed and delivered to the Corporation’s transfer agent, Computershare Trust Company of Canada (“**Computershare**”), (Attention: Proxy Department), 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, or via the internet at [www.investorvote.com](http://www.investorvote.com), before 10:00 am (Toronto time) on September 13, 2022, before the Meeting or any Meeting Adjournment. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

A shareholder may revoke a proxy at any time by an instrument in writing executed by them or, if the shareholder is a corporation, under its corporate seal, or by an officer or attorney of the shareholder duly authorized in writing, and by sending it to the same address where the form of proxy was sent and within the deadlines mentioned in the form, or two business days preceding the date the Meeting resumes if it is adjourned, or by delivering it to the chairman of such Meeting on the day of the Meeting or any Meeting Adjournment.

Rather than returning the form of proxy, registered shareholders may also elect to vote by telephone or via the internet. Those registered shareholders electing to vote by telephone require a touch-tone telephone to transmit their voting preferences. Registered shareholders electing to vote by telephone or via the internet must follow the instructions included in the form of proxy received from the Corporation.

If a shareholder who has submitted a proxy attends the Meeting via live webcast using a 15-digit control number or Invite Code and accepts the terms and conditions when entering the Meeting online, any votes cast by such shareholder on a ballot will be counted and the submitted proxy will be disregarded. (See the information under the heading “Instructions for Attending and Voting Virtually at the Meeting” below for details.)

### **RECORD DATE AND QUORUM**

The Board has fixed July 29, 2022 as the record date (the “**Record Date**”) for the purpose of determining which shareholders are entitled to receive the Notice and vote at the Meeting or any Meeting Adjournment, either in person or by proxy. No person acquiring Common Shares after that date shall, in respect of such Common Shares, be entitled to receive the Notice of Meeting and vote at the Meeting or any Meeting Adjournment.

Pursuant to the amended and restated by-laws of the Corporation, a quorum is reached at the Meeting if two (2) or more shareholders representing not less than 25% of the votes that may be cast at the Meeting are present in person or represented by proxy.

### **EXERCISE OF DISCRETION BY PROXIES**

The persons designated in the form of proxy or voting instruction form will vote the Common Shares represented by such form (for, against, or withhold) in accordance with the instructions of the shareholder as indicated on such form on any ballot that may be called for. Therefore, if a shareholder has specified a choice with respect to any matter to be acted on, the Common Shares will be voted for, voted against, or withheld from voting, accordingly, in respect of that matter.

**In the absence of an instruction, Common Shares represented by a proxy will be voted for, voted against, or withheld from voting in the discretion of the person designated in the proxy. In the case of the Management Designees, this discretion will be exercised as follows: FOR the election, as Directors, of all nominees listed in this Information Circular; FOR the appointment of PricewaterhouseCoopers LLP as auditors of the Corporation for the ensuing year and the authorization of the Directors to fix such auditors’ remuneration; FOR the approval of the Proposed LTIP Resolution (defined below); and as the proxyholder sees fit on any other matters to be considered at the meeting.**

Unless otherwise required by law or other provisions binding upon the Corporation, any matter coming before the Meeting or any Meeting Adjournment shall be decided by the majority of the votes duly cast in respect of the matter by shareholders entitled to vote thereon.

The form of proxy confers discretionary authority in respect of amendments to matters identified in the Notice of Meeting and such other matters as may properly come before the Meeting or any Meeting Adjournment. At the date of this Information Circular, the Directors and management of the Corporation are not aware of any such amendment or other matter to be submitted to the Meeting. However, if any amendments or variations to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to the Directors or management should properly come before the Meeting or any Meeting Adjournment, then the Common Shares represented by properly executed proxies given in favour of the person designated by management of the Corporation in the form of proxy will be voted on such matters in that designated person’s discretion.

### **NOTICE-AND-ACCESS**

The Corporation is using the Canadian Securities Administrators’ notice-and-access delivery model for distribution of this Information Circular and its annual financial statements (the “**Proxy-Related Materials**”) to shareholders. Notice-and-access is a set of rules that allows issuers to post electronic versions of proxy-related materials (such as

proxy circulars) online, via the System for Electronic Document Retrieval and Analysis (“**SEDAR**”) of the Canadian Securities Administrators at [www.sedar.com](http://www.sedar.com) and one other website, instead of mailing paper copies of Proxy-Related Materials to shareholders. The Information Circular and the Corporation’s audited consolidated financial statements and management’s discussion and analysis of the Corporation for the year ended March 31, 2022 and the related auditors’ report (the “**Financial Statements**”) will be available on the Corporation’s corporate website at [www.medexus.com](http://www.medexus.com) and will remain available for at least one full year after the date of the Meeting. The Information Circular and Financial Statements will also be available on SEDAR at [www.sedar.com](http://www.sedar.com). The Corporation will not use procedures known as “stratification” in relation to the use of the notice-and-access delivery model. Stratification occurs when a reporting issuer using notice-and-access provides a paper copy of the management information circular to some shareholders with the notice package. In relation to the Meeting, all shareholders of the Corporation will receive the required documentation under notice-and-access, which will not include a paper copy of the Information Circular nor the Financial Statements. **Shareholders are reminded to review this Information Circular before voting.**

Although the Information Circular and the Financial Statements are posted electronically, as noted above, shareholders will receive a “notice package” (“**Notice Package**”), by prepaid mail, containing the information prescribed by NI 54-101 and a form of proxy (registered shareholders) or a voting instruction form (Non-Registered Shareholder (defined below)) and instructions on how to vote the Common Shares. Shareholders should follow the instructions for completion and delivery contained in the form of proxy or voting instruction form.

Notice-and-access directly benefits the Corporation through a substantial reduction in both postage and printing costs and also promotes environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about notice-and-access can call the Corporation’s transfer agent, Computershare, 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario, M5J 2Y1 toll free at 1-866-964-0492.

Before the Meeting, shareholders may obtain paper copies of the Proxy-Related Materials by mail at no cost by calling toll free at 1-866-962-0498 (North America) or direct 1-514-982-8716 (outside North America). To ensure that you receive the Information Circular in advance of the voting deadline and the Meeting, a request for a paper copy of the Information Circular must be received by Computershare no later than September 5, 2022 in order to allow sufficient time for processing and mailing before the date of the Meeting. **You will not receive a new form of proxy or voting instruction form with any paper copy of the Proxy-Related Materials you request. You should therefore retain and use the forms included in the Notice Package to vote your Common Shares.**

## VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The authorized capital stock of the Corporation consists of an unlimited number of common shares (the “**Common Shares**”) without nominal or par value and an unlimited number of preferred shares issuable in series without nominal or par value. As of the date of this Information Circular, there are 19,954,459 Common Shares and no preferred shares of the Corporation issued and outstanding. Each Common Share confers upon its holder the right to one vote.

Holders of Common Shares of record as of the close of business on July 29, 2022 (the “**Record Date**”) are entitled to vote such Common Shares at the Meeting.

As of the date of this Information Circular, to the knowledge of the Board or management of the Corporation, there are no persons who beneficially own, control or direct, directly or indirectly, 10% or more of the issued Common Shares of the Corporation.

## INSTRUCTIONS FOR ATTENDING AND VOTING VIRTUALLY AT THE MEETING

**This year, registered shareholders and duly appointed proxyholders are invited to attend the Meeting by live webcast, which will enable registered shareholders and duly appointed proxyholders to submit questions and vote online.** Beneficial holders of Common Shares that hold their Common Shares through an intermediary (“**Non-Registered Shareholders**”) who have not appointed themselves may attend the live webcast of the Meeting, but will

not have the ability to vote virtually or ask questions. A summary of the information shareholders will need to attend and vote at the Meeting by live webcast is provided below.

### **Attending the Meeting via Live Webcast**

To attend the Meeting, log in online at <https://meetnow.global/MPTCL74>. You should allow ample time to check into the Meeting online and complete the related procedures. It is recommended that you log in at least fifteen minutes before the Meeting starts.

Registered Shareholders and duly appointed proxyholders will be able to attend, submit questions and vote at the Meeting. Non-registered Shareholders who have not duly appointed themselves as a proxyholder will be able to attend the Meeting but only as a guest and will not be able to vote or submit questions at the Meeting.

If you attend the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

If you have any difficulties accessing the Meeting, you may contact our webcast provider at: 1-888-724-2416 or 1-781-575-2748.

It is recommended that Shareholders and proxyholders submit their questions as soon as possible during the Meeting so they can be addressed at the right time. Questions may be submitted in writing by using the relevant dialog box in the function “Q&A” during the Meeting. Written questions or comments submitted through the dialog box function will be read or summarized by a representative of the Corporation, after which the Chair of the Meeting or members of management present at the Meeting will respond. Questions relating to a matter to be voted on at the Meeting will be responded to before a vote is held on such matter.

In order to facilitate a respectful and effective Meeting, only questions of general interest to all shareholders will be answered. If several questions relate to the same or similar topic, the Corporation will group the questions and state that it has received similar questions.

In the event of technical malfunction or other significant problem that disrupts the Meeting, the Chair of the Meeting may adjourn, recess, or expedite the Meeting, or take such other action as the Chair determines is appropriate considering the circumstances.

#### *Participation by Registered Shareholders and Duly Appointed Proxyholders*

Registered shareholders that have a 15-digit control number located on their form of proxy, along with duly appointed proxyholders who were assigned an Invite Code by Computershare, will be able to vote and submit questions during the Meeting. To attend the Meeting, go to <https://meetnow.global/MPTCL74> before the start of the Meeting. To log in, click on “Shareholder” and enter your 15-digit control number or “Invitation” and enter your Invite Code.

Registered shareholders using a 15-digit control number to log in to the online Meeting will be required to accept the terms and conditions of the Meeting. If a registered Shareholder who has submitted a form of proxy attends the Meeting via webcast and proceeds with voting at the Meeting, any and all previously submitted proxies will be revoked. If you do not wish to revoke all previously submitted proxies, do not vote at the Meeting.

#### *Participation by Non-Registered Shareholders*

Non-Registered Shareholders who have not appointed themselves as a proxyholder to vote at the Meeting but who wish to attend the Meeting virtually will only be able to attend as a guest. To do so, go to <https://meetnow.global/MPTCL74> before the start of the Meeting. Click on “Guest” and complete the online form. Non-Registered Shareholders will be able to listen to the Meeting but will not be able to vote or submit questions.

#### *Participation by United States Non-Registered Shareholders*

To attend and vote at the Meeting virtually, you must first obtain a valid legal proxy from your broker, bank, or other agent and then register in advance to attend the Meeting. Follow the instructions from your broker, bank, or other agent included with the proxy materials, or contact your broker, bank, or other agent to request a legal proxy form.

After obtaining a valid legal proxy from your broker, bank, or other agent, you must then submit a copy of your completed legal proxy to Computershare to register to attend the Meeting. Requests for registration should be directed to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or by email at [uslegalproxy@computershare.com](mailto:uslegalproxy@computershare.com). Requests for registration must be labeled as “Legal Proxy” and be received no later than 10:00 am (Toronto time) on September 13, 2022. You will receive a confirmation of your registration by email after we receive your registration materials. Once this process is complete, you may attend the Meeting and vote your Common Shares at <https://meetnow.global/MPTCL74> during the Meeting. You are required to register your appointment at <https://www.computershare.com/medexus>. (See the information under the heading “—Registration of Proxyholders” below for details.)

If you use a 15-digit control number to log in to the live webcast and you accept the terms and conditions of the Meeting, you will revoke any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forward at the Meeting. If you **do not** wish to revoke all previously submitted proxies, do not accept the terms and conditions of the Meeting, in which case you will enter the Meeting as a guest.

### **Voting at the Meeting**

Each registered shareholder, and each Non-Registered Shareholder who has appointed themselves or a third-party proxyholder to represent them at the Meeting, will appear on a list of shareholders and proxyholders prepared by Computershare, the Corporation’s registrar and transfer agent. To have their Common Shares voted at the Meeting, each registered shareholder or duly appointed proxyholder will be required to enter their control number or Invite Code provided by Computershare at <https://meetnow.global/MPTCL74> before the start of the Meeting. Non-Registered Shareholders who wish to attend and vote at the Meeting should appoint themselves as a proxyholder and **must** register with Computershare at <https://www.computershare.com/medexus> **after** submitting their voting instruction form to receive an Invite Code that can be used to log in to the Meeting. (See the information under the heading “—Registration of Proxyholders” below for details.)

Non-Registered Shareholders who have not appointed themselves as a proxyholder will not be able to participate or vote at the Meeting, but will be able to attend and listen to the Meeting as a guest. This is because the Corporation and Computershare do not have a record of the Non-Registered Shareholders of the Corporation and, as a result, cannot verify a Non-Registered Shareholder’s shareholdings or entitlement to vote unless that Non-Registered Shareholder appoints themselves as a proxyholder. See “Registration of Proxyholders” and “Non-Registered Shareholders” below.

If you are a Non-Registered Shareholder and wish to vote at the Meeting, you must appoint yourself as a proxyholder by inserting your own name in the space provided on the voting instruction form sent to you and must follow all instructions, including regarding deadlines, provided by your Intermediary (defined below).

### **Registration of Proxyholders**

Shareholders who wish to appoint a third party proxyholder to represent them at the live webcast **must submit their proxy or voting instruction form before registering their proxyholder. Registering your proxyholder is an additional step once you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving an Invite Code that would allow them to participate in the Meeting.** To register a proxyholder, shareholders **must** visit <https://www.computershare.com/medexus> and provide Computershare with their proxyholder’s contact information by 10:00 am (Toronto time) on September 13, 2022, so that Computershare may provide the proxyholder with an Invite Code via email. **Without an Invite Code, proxyholders will not be able to attend and vote at the Meeting.**

### **Non-Registered Shareholders**

**Only registered holders of Common Shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank, trust company, or other agent through which they purchased the Common Shares.**

A shareholder is a Non-Registered Shareholder if the shareholder's Common Shares are registered either in the name of (in each case, an "**Intermediary**"):

- (a) an intermediary that the Non-Registered Shareholder deals with in respect of the Common Shares, such as a bank, trust company, securities dealer or broker, director or administrator of RRSPs, RRIFs, RESPs, and similar plans; or
- (b) a clearing agency (such as CDS & Co.) of which the Intermediary is a participant.

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain ownership information about them to the Corporation are referred to as non-objecting beneficial owners ("**NOBOs**"). Those Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about them to the Corporation are referred to as objecting beneficial owners ("**OBOs**"). In accordance with the requirements of NI 54-101, the Corporation has elected to send copies of the form of proxy or voting instruction form and other meeting materials required to be sent to NOBOs and OBOs (collectively, the "**meeting materials**") indirectly through Intermediaries for onward distribution to NOBOs and OBOs. The Corporation will also pay the fees and costs of Intermediaries for their services in delivering the meeting materials to NOBOs and OBOs in accordance with NI 54-101. Intermediaries must forward the meeting materials to each Non-Registered Shareholder (unless the Non-Registered Shareholder has waived the right to receive such materials). Intermediaries often use a service company, such as Broadridge Investor Communication Solutions in Canada ("**Broadridge**"), to permit the Non-Registered Shareholder to direct the voting of the Common Shares held by the Intermediary on behalf of the Non-Registered Shareholder.

Generally, Non-Registered Shareholders who have not waived the right to receive meeting materials will be given one of the following two items:

- (a) A proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Shareholder. In this case, the Non-Registered Shareholder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare as described above under "Appointment of Proxyholder and Right of Revocation of Proxies".
- (b) More typically, a voting instruction form which must be completed and signed by the Non-Registered Shareholder in accordance with the directions on the voting instruction form. Non-Registered Shareholders should submit this voting instruction form to Intermediaries in sufficient time to ensure that the Intermediaries can deliver these voting instructions to the Corporation.

The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives either a proxy or a voting instruction form wish to attend and vote at the Meeting (or have another person attend and vote on behalf of the Non-Registered Shareholders), the Non-Registered Shareholder should strike out the names of the persons named in the form of proxy and insert their own (or such other person's) name in the blank space provided in the form of proxy or, in the case of a voting instruction form, follow the corresponding instructions on the voting instruction form, to appoint themselves (or such other person) as a proxyholder, and deposit the form of proxy or submit the voting instruction form in the appropriate manner noted above.

Non-Registered Shareholders should carefully follow the instructions on the form of proxy or voting instruction form that they receive from their Intermediary in order to vote the Common Shares that are held through that Intermediary. Non-Registered Shareholders should also ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate persons.

*If a Non-Registered Shareholder Does Not Wish to Attend the Meeting*

Non-Registered Shareholders who do not wish to attend the Meeting should carefully follow the instructions on the voting instruction form that they receive from their Intermediary in order to vote the Common Shares that are held

through that Intermediary. Non-Registered Shareholders should submit their voting instructions to Intermediaries in sufficient time to ensure that the Intermediaries can deliver these voting instructions to the Corporation.

*If a Non-Registered Shareholder Wishes to Attend and Vote at the Meeting*

The Corporation generally does not have access to the names of its Non-Registered Shareholders. Non-Registered Shareholders who wish to attend and vote at the Meeting should therefore insert their own name in the blank space provided in the voting instruction form to appoint themselves as proxyholders and then follow their Intermediary's instructions for returning the voting instruction form.

Non-Registered Shareholders who wish to attend and vote at the Meeting should not complete the voting section of the voting instruction form. Instead, these Non-Registered Shareholders should appoint themselves as a proxyholder and **must** register with Computershare at <https://www.computershare.com/medexus> **after** submitting their voting instruction form to receive an Invite Code that can be used to log in to the Meeting. (See the information under the heading "Instructions for Attending and Voting Virtually at the Meeting" above for details.)

*If a Non-Registered Shareholder Wishes to Revoke Voting Instructions*

A Non-Registered Shareholder may revoke previously-delivered voting instructions by contacting their Intermediary and following any instructions their Intermediary may provide. An Intermediary may not be able to revoke voting instructions if it receives insufficient notice of revocation.

**PERSONS HAVING AN INTEREST IN CERTAIN MATTERS ON THE AGENDA**

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors or, in the case of clauses (a) and (b) below the adoption of the Proposed LTIP (defined below):

- (a) each person who has been a Director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;
- (b) each proposed nominee for election as a Director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

**PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING**

**1. Receipt of Financial Statements**

The Directors will place before the Meeting the audited consolidated annual financial statements of the Corporation as at and for the year ended March 31, 2022 together with the related report of the auditors (the "**Annual Financial Statements**"). The Annual Financial Statements have been sent to the shareholders who have so requested in accordance with applicable securities laws and are also available on SEDAR at [www.sedar.com](http://www.sedar.com). No vote will be required in connection with the Annual Financial Statements.

**2. Election of Directors**

The by-laws of the Corporation provide that the members of the Board of Directors are elected annually and that each Director holds office until the next annual meeting of shareholders or until their successor is duly elected or appointed. Presently, the Corporation has six (6) Directors, each of whose term of office shall expire at the termination of the Meeting unless that Director is re-elected as a Director at the Meeting.

### *Majority Voting*

The Directors have adopted a majority voting policy which provides that, in an uncontested election of Directors at an annual meeting of shareholders, each nominee for Director should be elected by the vote of a majority of the Common Shares represented in person or by proxy at the meeting that are voted in respect of that nominee for Director. Any nominee for Director who does not receive, from the Common Shares voted at the meeting in person or by proxy, a greater number of votes “for” than votes “withheld” their election as a Director will be required to tender their resignation to the Chair of the Board for consideration promptly following the meeting, to take effect upon acceptance by the Board. The CCG&N Committee (defined below) will promptly consider such tendered resignation and provide a recommendation to the Board as to whether or not to accept such resignation. Absent exceptional circumstances that would warrant the continued service of the applicable Director, the CCG&N Committee will be expected to recommend that the Board accept the resignation. Within 90 days following the shareholder meeting, the Board will make its decision and disclose it by a press release, such press release to include the exceptional reasons for rejecting the resignation, if applicable. A Director who tenders their resignation pursuant to the Corporation’s majority voting policy will not be permitted to participate in any meeting of the Board or the CCG&N Committee at which the resignation is considered. In any election of directors other than an uncontested election, the majority voting policy shall not apply.

Based on amendments to the *Canada Business Corporations Act* (the “**CBCA**”) that are expected to come into force on August 31, 2022 (the “**CBCA Amendments**”), shareholders of a company governed by the CBCA will be afforded the option to vote “against” rather than “withheld” in respect of uncontested elections of directors, and each nominee must receive more votes “for” their election than “against” in order to be elected. As the Meeting will be held following the expected coming into force of the CBCA Amendments, shareholders will be afforded the opportunity to vote “for” or “against/withheld” in respect of each of the nominees at the Meeting. In the event that the CBCA Amendments do not come into force as expected, the Corporation will treat votes “against” as “withheld”.

### *Advance Notice Provisions*

The Corporation’s by-laws include certain advance notice provisions (the “**Advance Notice Provisions**”) that require advance notice be given to the Corporation of shareholder proposals relating to the nomination of Directors. The Advance Notice Provisions require a nominating shareholder to provide notice to the Directors of proposed Director nominations (i) in the case of an annual meeting (including an annual and special meeting) not less than 30 days before the date of the applicable annual meeting; provided that if the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made then notice by the nominating shareholder may be given not later than the close of business (Toronto time) on the 10th day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing Directors (whether or not called for other purposes), not later than the close of business (Toronto time) on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made. The Advance Notice Provisions also require certain information about any proposed nominee to be included in such a notice in order for it to be valid. The purpose of the Advance Notice Provisions is to ensure that all shareholders, including those participating in a meeting by proxy rather than in person, receive adequate prior notice of Director nominations, as well as sufficient information concerning the nominees, and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice Provisions are intended to facilitate an orderly and efficient meeting process.

The Board may, in its sole direction, waive any requirement of the Advance Notice Provisions.

The following information regarding the candidates for Directors, set out in alphabetical order by last name, is based on the information provided to the Corporation by the candidates.

Name, province/state and country of residence	Office held with the Corporation	Director since	Number of Common Shares of the Corporation beneficially owned or over which control is exercised <sup>(1)</sup>	Principal occupation during the last five (5) years
Ken d'Entremont Ontario, Canada	Chief Executive Officer and Director	October 16, 2018	1,345,733 <sup>(2)</sup>	Chief Executive Officer of the Corporation since December 2018; Founder, Chief Executive Officer, and Director of Medexus Inc. from inception in 2000 through its amalgamation with Medexus in 2018.
Benoit Gravel <sup>(3)(4)(5)</sup> Québec, Canada	Director	September 22, 2017	16,677	Healthcare Council Member, Gerson Lehman Group (GLP) since April 2016; Vice President, Global Portfolio Management & Strategic Development, Sanofi Generics – Zentiva Group Czech Republic from February 2014 to February 2016; Vice President, Diabetes & Specialized Care Unit, Sanofi Canada Inc. from March 2012 to January 2014.
Adele M. Gulfo <sup>(4)(5)</sup> New Jersey, USA	Director	June 25, 2019	28,364	Chief Commercial and Business Development Officer, Sumitovant Biopharma since December 2019; Chief of Commercial Development, Roivant Sciences Ltd. from May 2018 to December 2019; Director of Myovant Sciences; Director of EnPro Industries, Inc. since October 2018; Director of Bemis Company, Inc. from June 2015 to June 2018; Executive Vice President, Head of Global Commercial Development, and Chief Strategy Officer, Mylan N.V. from January 2014 to January 2018; President and General Manager, Pfizer U.S. Primary Care Business from 2009 to 2012 and President, General Manager Latin America from 2012 to 2014; Director of Volunteers of America – Greater New York from 2012 to 2018; Director of Committee of 200 from 2012 to 2015.
Michael Mueller <sup>(3)(4)(5)</sup> Ontario, Canada	Director	May 31, 2014	46,223 <sup>(6)</sup>	Chair of the Board of Laurentian Bank of Canada since April 2019 (Director since December 2018); Director of Gensource Potash Corporation since July 2018; Chair of the Board of Revera, Inc. since February 2018; Director of PSP Investments (Public Sector Pension Investment Board) from 2006 to January 2018; Chair of the Board of PSP Investments from January 2015 to January 2018.
Stephen Nelson <sup>(4)(5)</sup> Ontario, Canada	Director	October 16, 2018	418,305 <sup>(7)</sup>	Senior Vice President, Portfolio Manager and Investment Advisor with TD Wealth Private Investment Advice; Director of Medexus Inc. from April 2013 to October 2018; Director of AMP Solar Group Inc. from January 2011 to April 2020 (Chair of Compensation Committee of the AMP Solar Group Inc. Board until February 2020, member of Compensation Committee of the AMP Solar Group Inc. Board until April 2020).
Peter van der Velden <sup>(3)(5)</sup> Ontario, Canada	Chair of the Board	October 16, 2018	432,063 <sup>(8)</sup>	Chair of the Board since October 2018; Managing General Partner of Lumira Capital Investment Management Inc. since March 2007; Director of Exact Imaging Inc. since January 2015; Director of Edesa Biotech Inc. from September 2017 to February 2022; previously a Director of

Name, province/state and country of residence	Office held with the Corporation	Director since	Number of Common Shares of the Corporation beneficially owned or over which control is exercised <sup>(1)</sup>	Principal occupation during the last five (5) years
				AmacaThera; Director of the Venture Capital and Private Equity Association for ten years and President and/or Chair from May 2012 to May 2015.

**Notes:**

- (1) The information as to the Common Shares beneficially owned, controlled, or directed has been furnished by the respective Director nominee individually, and does not include the unvested RSUs or other Awards (each defined below) held by such Director.
- (2) Includes the Common Shares held by Mr. d'Entremont's spouse and daughter and the d'Entremont Family Trust, of which Mr. d'Entremont is a director. Mr. d'Entremont, his spouse or daughter, or the d'Entremont Family Trust also own or control an aggregate of C\$21,000 of the Corporation's 6% unsecured convertible debentures.
- (3) Member of the Audit Committee of the Corporation. Mr. Mueller is the Chair.
- (4) Member of the Compensation, Corporate Governance and Nominating Committee of the Corporation. Mr. Gravel is the Chair.
- (5) Member of the Business Strategy Committee. Mr. Gravel is the Chair.
- (6) Includes the Common Shares held by The Michael and Carol Mueller Family Foundation, a foundation controlled by Mr. Mueller.
- (7) Includes the Common Shares held by Mr. Nelson's spouse and the JARR Family Trust of which Mr. Nelson is a director. Mr. Nelson, his spouse, or the JARR Family Trust also own or control an aggregate of C\$225,000 of the Corporation's 6% unsecured convertible debentures.
- (8) Lumira Capital IV, L.P. and Lumira Capital IV (International) L.P., vehicles managed by Lumira Ventures, hold an aggregate of 132,603 Common Shares following the September 30, 2021 payment of interest in Common Shares in respect of the C\$6,000,000 of the Corporation's 6% unsecured convertible debentures held by Lumira Capital IV, L.P. and Lumira Capital IV (International) L.P. Lumira Ventures III, L.P. and Lumira Ventures III (International), L.P. hold an aggregate of 300,000 Common Shares as well as warrants to purchase an aggregate of 150,000 Common Shares. Mr. van der Velden is the Managing General Partner of Lumira Ventures.

To the knowledge of the Corporation, other than as set out below, none of the above-mentioned candidates:

- (a) is, as at the date of the Information Circular, or has been, within the last ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:
  - (i) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which, in all cases, was in effect for a period of more than 30 consecutive days (an "Order"), which Order was issued while the Director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
  - (ii) was subject to an Order that was issued after the proposed Director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) is, as at the date of the Information Circular, or has been, within the last ten years before the date of this Information Circular, a director or executive officer of any company that, while the proposed Director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or Director appointed to hold its assets; or
- (c) has, as at the date of the Information Circular, or within the last ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or Director appointed to hold his assets.

Between March 2013 and November 18, 2016, Michael Mueller was a director of Magor Corporation (“**Magor**”), a company listed on the TSX Venture Exchange (the “**TSXV**”). On November 30, 2016, Magor announced it had proactively filed a Notice of Intention to Make a Proposal (“**Magor Notice of Intention**”) under Part III of the Bankruptcy and Insolvency Act (Canada). As a result, Magor was transferred to NEX, a separate board of the TSXV. Under the Magor Notice of Intention, Ernst & Young Inc. was appointed as the trustee in Magor’s proposal proceedings. Magor completed its restructuring transaction on July 11, 2017.

Between April 2019 and August 16, 2019, Michael Mueller was a director of Eureka 93 Inc. (“**Eureka 93**”), a public company trading on the Canadian Securities Exchange (“**CSE**”). On February 14, 2020, Eureka 93 filed a Notice of Intention to Make a Proposal under Part III of the Bankruptcy and Insolvency Act (Canada) (“**Eureka Notice of Intention**”). As a result, Eureka 93’s trading on the CSE was suspended and a cease trader order put in place. Pursuant to the Eureka Notice of Intention, Deloitte Restructuring Inc. was appointed as the trustee in Eureka 93’s proposal proceedings. Eureka 93’s proposal proceedings remain ongoing.

To the knowledge of the Corporation, no candidate for election as Director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder having to decide to vote for a candidate.

**In the absence of a contrary instruction, the Management Designees named in the enclosed form of proxy intend to vote FOR the election as Directors of each of the proposed nominees whose names are set out above.** Management does not contemplate that any of the proposed nominees will be unable to serve as a Director, but if that should occur for any reason before the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the Management Designees named in the enclosed form of proxy, in their discretion, in favour of another nominee.

### **3. Appointment of Auditors**

PricewaterhouseCoopers LLP, Chartered Accountants (“**PwC**”) are the current auditors of the Corporation. At the Meeting, shareholders will be requested to reappoint PwC as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board to fix the auditors’ remuneration. An affirmative vote of a majority of the votes cast at the Meeting is sufficient for the approval of these matters.

In accordance with National Instrument 52-110 – Audit Committees (“**NI 52-110**”), shareholders may obtain further information concerning the fees paid to the auditors of the Corporation in the Corporation’s most recent Annual Information Form, which is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

**In the absence of a contrary instruction, the Management Designees named in the enclosed form of proxy intend to vote FOR the reappointment of PwC as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board to fix the remuneration of the auditors.**

### **4. Approval of New Long Term Incentive Plan**

As a result of a review by the CCG&N Committee, the Board has proposed a new long term incentive plan (the “**Proposed LTIP**”), intended to bring the terms of the Corporation’s equity compensation plan in line with current market practice for Toronto Stock Exchange (“**TSX**”) listed issuers, and incorporating guidance from proxy advisory consultants on long-term equity incentive compensation practices in respect of directors, officers, and employees.

The full text of the Proposed LTIP is set out in Appendix B. A summary description of the key terms and conditions of the Proposed LTIP is set out under the heading “Security Based Compensation Arrangement – Proposed LTIP”.

#### *Impact on Existing Reserve*

The Existing Omnibus Plan (defined below) is a fixed maximum plan, and the maximum number of Common Shares issuable pursuant to the Existing Omnibus Plan cannot exceed 2,949,252, being 20% of the issued and outstanding Common Shares on the date the Existing Omnibus Plan was initially approved by shareholders. As at the date of this Information Circular, of the 2,949,252 Common Shares initially reserved for issuance under the Existing Omnibus Plan, (i) 594,920 Common Shares have already been issued in satisfaction of Awards; (ii) 1,765,289 Common Shares are currently reserved for issuance in order to satisfy, as necessary, outstanding Awards (the “**Run-Off Reserve**”), and (iii) 589,043 Common Shares remain available for the satisfaction of future Awards (the “**Untapped Reserve**” and together with the Run-Off Reserve, the “**Remaining Reserve**”).

The Proposed LTIP, if approved, will replace the Existing Omnibus Plan on a go-forward basis, and no further Awards will be made under the Existing Omnibus Plan, provided that all Awards outstanding under the Existing Omnibus Plan will remain available for exercise or settlement in accordance with their terms (and the 589,043 Common Shares in the Run-Off Reserve will remain available for issuance for these purposes).

Assuming the Proposed LTIP is approved, the Common Shares in the Untapped Reserve will transfer to the Proposed LTIP and become immediately available for newly issued Grants (defined below) under the Proposed LTIP. In addition, when currently existing Awards under the Existing Omnibus Plan are cancelled, forfeited, or expire unexercised, the underlying reserved Common Shares which currently form part of the Run-Off Reserve will also transfer to the Proposed LTIP and become available for newly issued Grants under the Proposed LTIP (for clarity, instead of becoming available for newly issued Awards under the Existing Omnibus Plan in accordance with that plan’s terms).

#### *Additional Reserve Sought*

In connection with the adoption of the Proposed LTIP, and in addition to the Remaining Reserve, the Corporation is seeking the authority to reserve an additional 145,000 Common Shares (the “**Requested Reserve Increase**”) (representing approximately 0.7% of the Common Shares outstanding as of the date of this Circular) for issuance under the Proposed LTIP.

If the Proposed LTIP (including Requested Reserve Increase) is approved, the aggregate maximum number of Common Shares issuable under the Proposed LTIP and any other securities-based compensation arrangement of the Corporation (i.e., previously issued Awards under the Existing Omnibus Plan) shall not exceed 2,499,332 Common Shares (representing approximately 12.5% of the Common Shares outstanding as of the date of this Circular).

#### *Proposed LTIP Resolution*

Shareholders will be asked at the Meeting to vote on the ordinary resolution set out below, and, if deemed advisable, to authorize and approve the Proposed LTIP (the “**Proposed LTIP Resolution**”) and the authority to reserve 145,000 additional Common Shares under the Proposed LTIP. (For clarity, shareholders are not being asked to approve of the reservation of Common Shares already reserved for issuance under the terms of the Existing Omnibus Plan.) In order to be effective, the following ordinary resolution requires approval by a majority of the votes duly cast online or by proxy by the shareholders at the Meeting.

“**BE IT RESOLVED**, as an ordinary resolution, that:

1. The adoption of the Long Term Incentive Plan (the “**LTIP**”) of Medexus Pharmaceuticals Inc. (the “**Corporation**”), substantially in the form as set out in Appendix B of the Corporation’s management information circular dated August 5, 2022 (the “**Information Circular**”), is hereby approved, ratified and adopted by the Corporation and the Corporation is authorized to grant awards under the LTIP and in accordance with its terms;

2. the total number of additional common shares of the Corporation (the “**Common Shares**”) to be reserved and available for grant and issuance pursuant to the LTIP shall be 145,000 Common Shares (resulting in an aggregate total of 734,043 Common Shares reserved and available for grant and issuance pursuant to the LTIP as of the date of the Information Circular, inclusive of Common Shares already approved by shareholders under the existing omnibus incentive plan of the Corporation and not subject to outstanding awards under that existing plan), subject to adjustments as may be required in accordance with the terms of the LTIP;
3. the board of directors of the Corporation is hereby authorized to make such amendments to the LTIP from time to time as may be required by the applicable regulatory authorities, or as may be considered appropriate by the board of directors of the Corporation, in its sole discretion, provided that such amendments be subject to any required approvals of those regulatory authorities and any approval of the shareholders of the Corporation required under the terms of the LTIP;
4. any officer or director of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to execute and deliver all other documents and instruments and to take all such other actions as such officer or director may deem necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and other instruments or the taking of any of such actions.”

**The Board of Directors unanimously recommends that shareholders vote FOR the Proposed LTIP Resolution. In the absence of a contrary instruction, the Management Designees named in the enclosed form of proxy intend to vote FOR the Proposed LTIP Resolution.**

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Interpretation*

“Named Executive Officer” (“NEO”) means:

- (a) an individual who acted as chief executive officer of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year (“CEO”);
- (b) an individual who acted as chief financial officer of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year (“CFO”);
- (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than C\$150,000 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Ken d’Entremont (Chief Executive Officer), Marcel Konrad (Chief Financial Officer), Roland Boivin (former Chief Financial Officer), Mike Adelman (General Manager, US Operations), Richard Labelle (General Manager, Canadian Operations), and Michael Pine (former Senior Vice President, Business Development & Strategy).

#### *Objectives and Philosophy of the Compensation Program*

The Corporation’s executive compensation philosophy and program objectives are directed primarily by two guiding principles. First, the program is intended to provide competitive levels of compensation, at expected levels of performance, in order to attract, motivate and retain talented executives. Second, the program is intended to create an alignment of interest between the Corporation’s executives and shareholders so that a portion of each executive’s compensation is linked to maximizing shareholder value. In support of this philosophy, the executive compensation program is designed to reward performance that is directly relevant to the Corporation’s short-term and long-term success. The Corporation attempts to provide both short-term and long-term incentive compensation that varies based on overall corporate performance and each NEO’s individual performance.

The Corporation’s executive compensation program consists of three main components: base salary, annual incentive bonuses, and long-term equity incentive awards. Equity incentive awards under the Corporation’s executive compensation program consist of stock options, performance share units (“PSUs”), and, in certain cases, restricted share units (“RSUs”). The following discussion describes each component of the Corporation’s executive compensation program and discusses how each component relates to the Corporation’s overall executive compensation objective. In establishing the executive compensation program, the Corporation believes that:

- base salaries provide an immediate cash incentive for the Corporation’s NEOs;
- annual incentive bonuses, which generally depend on achievement of a mix of company-level and NEO-specific objectives for the relevant financial year, encourage and reward performance over that financial year; and
- equity incentive awards, which are generally subject to time- and/or performance-based vesting, are designed to align the interests of the NEOs directly with those of the Corporation’s shareholders and motivate NEOs to achieve sustainable long-term growth of the Corporation.

The Corporation considers all three components of this executive compensation program in evaluating an NEO's total compensation. In particular, annual incentive bonuses are intended to potentially form a greater or lesser part of an NEO's total compensation in any given year, because this component is generally expressly tied to both company-level and NEO-specific performance against objectives for a given financial year.

#### *Purpose of the Compensation Program*

The Corporation's executive compensation program has been designed to accomplish the following long-term objectives:

- (a) create an appropriate balance between building shareholder value and compensating executives for their time, effort, and performance on behalf of the Corporation and its shareholders;
- (b) produce long-term positive results for the Corporation's shareholders;
- (c) align executive compensation with both corporate and executive performance; and
- (d) provide market-competitive compensation and benefits that allows the Corporation to recruit, retain, and motivate the executive talent necessary for the Corporation to be successful.

#### *Compensation Process*

The Board has delegated to the Compensation, Corporate Governance, and Nominating Committee (the "**CCG&N Committee**") the responsibility to make annual determinations regarding the three components of the Corporation's executive compensation program with respect to the key executives of the Corporation, including each NEO. In general, the CCG&N Committee meets *in camera* without management present to discuss the compensation of these key executives and provides recommendations to the Board with respect to executive compensation matters.

#### *Elements of Compensation*

##### Base salaries

The base salaries of the Corporation's key executives, including its NEOs, are reviewed annually to ensure that the following factors are considered: general market and economic conditions, the level of responsibility and accountability of each executive within the organization, the skill and competencies of each executive, retention considerations, and the level of demonstrated performance.

The CCG&N Committee reviews these base salaries, including that of the Chief Executive Officer, with a view to establishing, in its opinion, fair and reasonable compensation levels for these key executives. In forming its opinion, the CCG&N Committee takes into account the relevant executive's contributions to the Corporation's long-term growth and the CCG&N Committee's knowledge of remuneration practices in the markets where the Corporation operates.

##### Annual incentive bonuses

The CCG&N Committee's philosophy with respect to executive bonuses is to align the payment of bonuses with the performance of the Corporation and the individual performance of each executive. The CCG&N Committee has developed, and the Board has adopted, a plan for annual incentive bonuses of the Corporation's executives, including its NEOs. The bonus plan contemplates company-level and executive-specific objectives for each executive. Achievement of these objectives determines, in the CCG&N Committee's judgement, the annual incentive bonus payment for that executive. The CCG&N Committee develops a bonus plan and related objectives for each financial year.

The Board and the CCG&N Committee can exercise discretion by increasing or decreasing the bonus payment otherwise payable to an executive under the annual incentive bonus plan. For the financial year ended March 31, 2022, the Board or the CCG&N Committee did not exercise this discretion in any material respect.

#### Equity incentive awards

The Corporation provides long-term incentive compensation to its key executives, including its NEOs, previously through the Corporation's predecessor stock option plan, currently through the existing Omnibus Equity Incentive Compensation Plan, most recently approved by the shareholders of the Corporation on September 16, 2021 (the "**Existing Omnibus Plan**"), and, if approved, on a go-forward basis through the Proposed LTIP. The CCG&N Committee recommends the granting of equity incentive awards from time to time based on its assessment of the appropriateness of doing so in light of the long-term strategic objectives of the Corporation, its current stage of development, the need to attract or retain particular key executives, the importance and nature of the position held by the executive, the number of equity incentive awards already outstanding, the number of equity incentive awards already granted to the executive, and the overall performance of the Corporation. The CCG&N Committee is also responsible for making recommendations to the Board regarding amendments to the Corporation's equity compensation plans as and when appropriate.

#### Other

The CCG&N Committee believes that the perquisites for the Corporation's executives, including its NEOs, should be limited in scope and value. For the financial year ended March 31, 2022, the perquisites provided to NEOs in each case were worth less than C\$50,000 and less than 10% of each NEO's total salary.

#### *Risk Management*

The Corporation believes that its compensation program encourages its executives, including its NEOs, to align their behavior with the long-term interests of the Corporation and its shareholders. The CCG&N Committee monitors the Corporation's compensation program for compliance with applicable laws and seeks, within its means, to monitor possible risks to the Corporation that may be attributable to the compensation program. This monitoring process involves a review of the compensation program based on the nature and mix of performance measures, the weighting of the compensation elements within total compensation, and the nature and conduct of the objective-setting process.

The Corporation's Insider Trading Policy provides that executives may trade in the Corporation's securities only within predetermined trading periods and may not trade in the Corporation's securities if they are aware of undisclosed material information. Key executives are also instructed to obtain the approval of the Corporation before trading in the Corporation's securities in all circumstances. To the knowledge of the Corporation, none of the NEOs or Directors has purchased financial instruments, including prepaid variable contracts, equity swaps, collars, or units of exchange, that are designed to hedge or offset a decrease in market value of equity securities of the Corporation granted as compensation or held, directly or indirectly, by the NEO or Director.

The Board has adopted a clawback policy (the "**Clawback Policy**") that provides that in the event that (1) (i) the interim or annual financial statements of the Corporation are required to be restated and such restatement discloses materially poorer financial results than the original statements; or (ii) in the opinion of the CCG&N Committee, acting reasonably, there has been material injury to the Corporation's reputation or business relationships; and (2) the relevant executive subject to the Clawback Policy engaged in gross negligence, intentional misconduct, or fraud that caused or contributed to an event stated in part (1) (an "**Adverse Event**"), the Board may, at the recommendation of the CCG&N Committee, seek reimbursement of short- or long-term incentive compensation (in the case of equity incentive compensation, under the Proposed LTIP) paid to that executive.

Notwithstanding the foregoing, any amount recovered, cancelled or recouped pursuant to the policy will not exceed, in the case of (i) a restatement of the financial statements of the Corporation, the amount by which the compensation paid based on the inaccurate financial results exceeds the compensation that would have been payable under the accurate financial results, and (ii) a material injury to the Corporation's reputation or business relationships, the amount by which the compensation paid exceeds the compensation that would have been payable at such time had the

material injury to the Corporation's reputation or business relationships been known at such time. Only short or long-term incentive compensation awarded in the 24 months before the Adverse Event may be recovered, cancelled, or recouped pursuant to the policy.

#### *Compensation Consultants*

During the fiscal year ended March 31, 2022, the CCG&N Committee retained ISS Corporate Solutions Inc. ("ICS") in order to provide an analysis of the terms of the Existing Omnibus Plan. As a result of that review, the CCG&N Committee recommended the adoption of the Proposed LTIP. All work conducted by ICS was approved by the CCG&N Committee and ICS does not provide any non-Board approved services to the Corporation. The aggregate fees paid by the Corporation to ICS in connection with its engagement through the date of this Information Circular, which was initiated during the fiscal year ended March 31, 2022, were \$40,000. No fees were paid to ICS during the fiscal year ended March 31, 2021.

During the fiscal year ended March 31, 2021, as a result of the Corporation's growth, including via two transformational acquisitions, the Board elected to perform a new compensation benchmark analysis to assess whether it would be appropriate to make any adjustments to the Corporation's compensation plan. The Corporation retained Arnosti Consultant Inc. ("ACI") to perform this analysis and make recommendations to the CCG&N Committee. ACI conducted a comprehensive review of the compensation levels and structure for the Corporation's directors and executive management, including a market analysis of compensation levels and program designs of comparable organizations. All work conducted by ACI was approved by the CCG&N Committee and ACI does not provide any non-Board approved services to the Corporation. The aggregate fees paid by the Corporation to ACI in connection with its engagement, which was initiated and completed during the fiscal year ended March 31, 2021, were \$23,346. No fees were paid to ACI during the fiscal year ended March 31, 2022.

#### *Market Positioning and Benchmarking*

As part of the executive and Board compensation review process, the CCG&N Committee, with input from ACI as described above, established a peer group (the "**Peer Group**"), to benchmark the Corporation's compensation program. The Peer Group was selected from organizations operating within a comparable sector and of a similar scale to the Corporation, and was an update to the Corporation's peer group previously established for similar purposes. In addition to size and sector, selection criteria for the Peer Group included geographic distribution and business strategy.

The companies forming the Peer Group meet all or some of the Corporation's selection criteria and are as follows: Alimera Sciences Inc., AMAG Pharmaceuticals Inc., Aytu Bioharma, Inc., Adamas Pharmaceuticals Inc., Aquestive Therapeutics, Inc., BioDelivery Sciences International, Inc., BioSyent Inc., Cumberland Pharmaceuticals Inc., Cipher Pharmaceuticals Inc., HLS Therapeutics Inc., Knight Therapeutics Inc., Neos Therapeutics, Inc., Nuvo Pharmaceuticals Inc., Palatin Technologies Inc., Teligent, Inc., Theratechnologies Inc. and Vivus Inc.

This Peer Group together with other sources of competitive pay information were important inputs in establishing compensation levels and structure for the fiscal year ended March 31, 2022. The CCG&N Committee, in accordance with its compensation philosophy, periodically assesses how competitive compensation is in order to make compensation-related decisions. The Corporation's peer group and survey data size ranges are expected to be revisited periodically to ensure that the Corporation is benchmarking compensation appropriately.

### **Compensation Governance**

#### *Role of the CCG&N Committee*

The CCG&N Committee is responsible for assisting the Board in fulfilling its governance and supervisory responsibilities, and overseeing the Corporation's human resources, succession planning, and compensation policies, processes, and practices. The CCG&N Committee also ensures that compensation policies and practices do not encourage undue risk. The Board has adopted a written charter for the CCG&N Committee setting out its responsibilities for compensation matters, including:

- reviewing, and recommending to the Board for approval, the goals and objectives relevant to the bonus compensation of the CEO;
- evaluating the performance of the CEO in light of those goals and objectives, and making recommendations to the Board with respect to the compensation level of the CEO;
- reviewing and approving any employment agreements and any severance arrangements or plans, including any benefits to be provided in connection with a change in control, for the members of senior management other than the CEO, which includes the adoption, amendment, and termination of any such agreement, arrangement, or plan;
- reviewing the recommendations to the CCG&N Committee of the CEO respecting the appointment, compensation, and other terms of employment of the CFO and other members of senior management of the Corporation;
- reviewing and recommending Director remuneration for Board approval;
- reviewing and approving any required public disclosure regarding executive and director compensation and related matters as may be required by securities regulatory authorities or other bodies;
- reviewing and recommending for Board approval any succession plans for senior management of the Corporation;
- reviewing and recommending for Board approval any equity based incentive compensation plans and any grants thereunder, and oversee the administration of any equity-based compensation and any pension and benefit plans; and
- considering the potential risks associated with the adoption of the Corporation's compensation policies and practices and the adoption of particular organizational and individual objectives under such policies and practices.

The CCG&N Committee is committed to following an objective process for determining compensation for the Corporation's executive officers and Directors. In service of this goal and otherwise, the CCG&N Committee may conduct or authorize investigations into or studies of matters within its scope of responsibilities and duties, and has the authority to retain outside counsel, consultants, accountants, or other advisors, upon notice to the Board or the CEO, to assist it in fulfilling its responsibilities.

#### *Composition of the CCG&N Committee*

As at March 31, 2022, the CCG&N Committee was composed of Benoit Gravel (Chair), Adele Gulfo, Michael Mueller, and Stephen Nelson. The Board believes that the members of the CCG&N Committee together have the knowledge, experience, and profiles required to fulfill the CCG&N Committee's mandate. All members of the CCG&N Committee have appropriate competencies and experience in compensation policies and practice in decision-making. All members of the CCG&N Committee are independent within the meaning of section 1.4 of NI 52-110.

**Mr. Gravel** began his career as an economist in the energy and transportation industries in Canada with Hydro-Québec and VIA Rail. He joined the pharmaceutical industry over 30 years ago at Rhône-Poulenc in Montreal as Director, Corporate Planning & Business Development. Mr. Gravel spent three years in Paris in global business development and returned to Canada as Vice President, External Affairs, Vice President, Finance, and President of Rhône-Poulenc. Upon the creation of Aventis in 2000, he was appointed Vice President, Commercial Affairs. Upon the completion of the merger between Aventis and Sanofi in 2005, Mr. Gravel held several commercial executive positions in Canada with Sanofi, his most recent Canadian position being Vice President, Diabetes & Specialized Care Patient Centered Unit. His final assignment with Sanofi prior to retirement was Vice President, Global Portfolio Management & Strategic Development based in Prague, Czech Republic in the Global Generics division. Mr. Gravel has bachelor's and master's degrees in Economics from University of Montréal.

**Ms. Gulfo** joined the Board in June 2019. Ms. Gulfo currently serves as Chief Commercial and Business Development Officer at Sumitovant Biopharma. Previously, Ms. Gulfo served as EVP & Head of Global Commercial Development as well as Chief Strategy Officer of Mylan N.V. Prior to joining Mylan, Ms. Gulfo spent a total of 14 years at Pfizer, Inc. and predecessor companies. Among her senior roles at Pfizer, Ms. Gulfo served as President and General Manager of Pfizer's U.S. Primary Care Business. In this role, she led the US Commercial Operations and Market Access Organization across all of the Biopharmaceutical Business Units. Ms. Gulfo also served as President and General Manager of Pfizer, Latin America. Prior to joining Pfizer, she spent 9 years at AstraZeneca where she ran the Cardiovascular and Diabetes Business Unit and held senior leadership roles in business development, strategy and healthcare innovation. Ms. Gulfo is currently a member of the Board of Directors of EnPro Industries, Inc. and Myovant Sciences, and recently served on the Board of Directors of Bemis Company, Inc (now Amcor PLC). Trained as a scientist, Ms. Gulfo has been awarded eight U.S. patents for novel medication packaging adherence tools and an allergy treatment. Ms. Gulfo serves as an advisory board member of Partners Healthcare (founded by Brigham and Women's Hospital and Massachusetts General Hospital) and Springboard Life Sciences. She also served on the Board of Directors for Volunteers of America (VOA) and the Committee of 200 (C200), an invitation-only membership organization of the world's most successful women business leaders. She holds a Bachelor of Science degree in biology from Seton Hall University and an M.B.A. with highest honors from Fairleigh Dickinson University. Ms. Gulfo studied post-graduate Molecular Biology and began her career at the University of Medicine and Dentistry of New Jersey.

**Mr. Mueller** is currently Chair of the Board of Laurentian Bank of Canada. Mr. Mueller is also Chair of the Board of Revera Inc., serves on the Board of Directors of Gensource Potash Corporation, and was the Chair of PSP Investments (Public Sector Pension Investment Board) until January 2018. Mr. Mueller also serves on the Board of Directors of Smarter Alloys Inc. and Emily's House. From 2003 to 2005, he was President and Chief Executive Officer of MDS Capital Corporation. Prior to that, Mr. Mueller held a series of senior positions at TD Bank Financial Group, including Senior Vice President and Country Head of its USA Division, Executive Vice President of Global Credit and Vice Chairman and head of Global Investment Banking.

**Mr. Nelson** joined the Board in October 2018. Mr. Nelson has over 25 years of experience in the investment industry. He is currently Senior Vice-President, Portfolio Manager and Investment Advisor with TD Wealth Private Investment Advice, and he has been with TD Bank for over 20 years in various roles. Mr. Nelson currently manages over \$2 billion of investment assets. His performance as a portfolio manager and investment advisor has resulted in his designation as a member of TD Waterhouse's President's Club for the past 16 consecutive years. In addition, Mr. Nelson has served as a director of a number of private companies, including Medexus Inc. from April 2013 until its acquisition by the Corporation in October 2018 and AMP Solar Group Inc. from January 2011 to April 2020, and is a noted author of bestselling finance texts. He received his Bachelor of Arts (Economics) from the University of Western Ontario.

## Summary Compensation Table

The following table presents information regarding all compensation paid, payable, awarded, granted, given, or otherwise provided to each NEO for services rendered to the Corporation during the three most recently completed financial years.

Name and principal position	Fiscal Year Ended March 31	Salary (US\$)	Share-based awards <sup>(1)</sup> (US\$)	Option-based awards (US\$)	Non-equity incentive plan compensation (US\$)		Pension Value (US\$)	All other compensation <sup>(2)</sup> (US\$)	Total Compensation (US\$)
					Annual incentive plans (US\$)	Long-term incentive plans			
Ken d'Entremont <sup>(3)</sup> Chief Executive Officer	2022	400,000	Nil	Nil	192,000	Nil	Nil	Nil	592,000
	2021	328,297	Nil	Nil	360,000	Nil	Nil	Nil	688,297
	2020	300,000	Nil	Nil	84,581	Nil	Nil	Nil	384,581
Marcel Konrad <sup>(4)</sup> Chief Financial Officer	2022	211,364	59,349	74,282 <sup>(10)</sup>	95,000	Nil	Nil	9,150 <sup>(6)</sup>	449,145
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Roland Boivin <sup>(5)</sup> Former Chief Financial Officer	2022	130,900	Nil	Nil	Nil	Nil	Nil	772,500	885,889
	2021	204,267	Nil	Nil	111,250	Nil	Nil	Nil	315,517
	2020	187,857	Nil	Nil	45,555	Nil	Nil	Nil	233,412
Mike Adelman <sup>(7)</sup> General Manager, U.S. Operations	2022	392,300	57,626	Nil	90,229	Nil	Nil	9,150 <sup>(6)</sup>	549,305
	2021	376,468	69,536	87,147	148,388	Nil	Nil	8,700	690,240
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Richard Labelle General Manager, Canadian Operations	2022	183,472	Nil	Nil	98,438	Nil	Nil	Nil	281,910
	2021	173,992	Nil	Nil	83,480	Nil	Nil	Nil	257,472
	2020	172,828	Nil	Nil	82,646	Nil	Nil	Nil	255,474
Michael Pine <sup>(8)(9)</sup> Senior Vice President, Business Development and Strategy	2022	272,509	57,626	Nil	Nil	Nil	Nil	8,175 <sup>(6)</sup>	338,310
	2021	182,717	69,536	87,147	65,198	Nil	Nil	2,622	407,221
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### Notes:

- (1) Share-based awards means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock. The share-based awards granted during the fiscal year ended March 31, 2022 in respect of Mr. Konrad, Mr. Adelman and Mr. Pine reflect PSUs granted under the Existing Omnibus Plan. Mr. Pine's PSUs forfeited upon his departure from the Corporation. Mr. Konrad and Mr. Adelman's PSUs will vest if certain Corporation performance factors are met during a performance period of approximately 5 years from issuance. Except in limited circumstances, each vested PSU entitles the holder to receive, at the Corporation's option, either (i) one Common Share or (ii) a cash payment equal to the fair market value of one Common Share.
- (2) The value of perquisites received by each of the NEOs, including property or other personal benefits provided to the NEOs that are not generally available to all employees, were not in the aggregate greater than C\$50,000 or 10% of the NEO's total salary for the financial year.
- (3) Mr. d'Entremont is not compensated for his role as Director of the Corporation.
- (4) The compensation of Mr. Konrad shown above reflects the amounts paid or granted, as applicable, from July 19, 2021, the date Mr. Konrad joined the Corporation, to March 31, 2022.
- (5) Effective July 19, 2021, Mr. Boivin stepped down from the role of Chief Financial Officer and Marcel Konrad was appointed as Chief Financial Officer on the same date. Mr. Boivin agreed to stay on for a transitional period in an advisory capacity in order to help ensure an orderly transition of responsibilities to Mr. Konrad. In connection with his departure, Mr. Boivin received cash payments equal to the Canadian dollar equivalent of US\$772,500 (not including amounts attributable to the continuation of benefits and accrued vacation pay). In addition, Mr. Boivin's remaining unvested RSUs became vested and were settled in Common Shares (net of withholdings). Mr. Boivin's options remained exercisable for a period of 90 days following his departure, after which they expired and were forfeited unexercised.
- (6) Includes the Corporation's matching of 401(k) Retirement Plan.
- (7) The compensation of Mr. Adelman shown above for the fiscal year ended March 31, 2021 reflects the amounts paid or granted, as applicable, from May 7, 2020, the date Mr. Adelman joined the Corporation, to March 31, 2021.
- (8) The compensation of Mr. Pine shown above for the fiscal year ended March 31, 2021 reflects the amounts paid or granted, as applicable, from September 21, 2020, the date Mr. Pine joined the Corporation, to March 31, 2021.
- (9) Effective January 7, 2022, Mr. Pine stepped down from the role of Senior Vice President, Business Development and Strategy. In connection with his departure, his PSUs were forfeited in accordance with their terms and Mr. Pine's vested options remained exercisable for a period of 90 days following his departure, after which they expired and were forfeited unexercised.
- (10) In determining the fair value of the options-based awards, the Corporation used the Black-Scholes method, with the following assumptions: (a) risk-free interest rate: 1.25%, (b) forecasted volatility: 53.28%, (c) dividend yield: 0%, (d) expected life: 10 years. The Black-Scholes method was used because it is one of the most commonly used methods of calculating the value of options. The options have vesting provisions such that 20% of the options vest on the effective grant date with the remaining 80% of options vesting in equal 20% increments upon the first, second, third, and fourth anniversaries of the grant date.

## Incentive Plan Awards

### Outstanding Option-Based Awards

The following table presents information regarding all outstanding option-based equity incentive awards held by each NEO as of the end of the last completed financial year.

Name	Number of securities underlying unexercised options (#)	Option exercise Price (C\$)	Option expiration date	Value of unexercised options <sup>(1)</sup> (US\$)
Ken d'Entremont	Nil	N/A	N/A	N/A
Marcel Konrad	48,000	3.10	March 31, 2031	1,537
Roland Boivin <sup>(2)</sup>	Nil	N/A	N/A	N/A
Mike Adelman	48,000	3.83	October 1, 2030	Nil
Richard Labelle	15,000	6.90	February 17, 2024	Nil
	9,667	5.10	July 25, 2025	Nil
	16,667	4.50	July 25, 2026	Nil
	6,667	4.50	July 27, 2027	Nil
Michael Pine <sup>(3)</sup>	19,200	3.83	October 1, 2030	Nil

**Notes:**

- (1) The value of unexercised options is calculated using the closing price of the Common Shares of the Corporation on the TSX on March 31, 2022 (C\$3.14) less the exercise price of the relevant options, and has been converted into U.S. dollars using the US\$/C\$ exchange rate on March 31, 2022, being C\$1.2496 per US\$1.00.
- (2) Mr. Boivin stepped down as Chief Financial Officer on July 19, 2021 and agreed to stay on in a transitional role. All of Mr. Boivin's outstanding options expired unexercised during the fiscal year ended March 31, 2022.
- (3) Effective January 7, 2022, Mr. Pine stepped down from the role of Senior Vice President, Business Development and Strategy. In connection with his departure, his PSUs were forfeited in accordance with their terms and Mr. Pine's vested options remained exercisable for a period of 90 days following his departure, after which they expired and were forfeited unexercised.

### Outstanding Share-Based Awards

The following table presents information regarding all outstanding share-based equity incentive awards held by each NEO as of the end of the last completed financial year.

Name	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed (US\$)
Ken d'Entremont	80,250	\$201,623	\$201,653
Marcel Konrad	24,000	\$60,307	N/A
Roland Boivin <sup>(2)</sup>	Nil	N/A	N/A
Mike Adelman	48,000	120,615	N/A
Richard Labelle	26,750	67,218	201,653

Name	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed (US\$)
Michael Pine <sup>(3)</sup>	Nil	N/A	N/A

**Notes:**

- (1) The value of share-based awards that have not vested and share-based awards that have vested but not been paid out or distributed is calculated using the closing price of the Common Shares of the Corporation on the TSXV on March 31, 2022 (C\$3.14) multiplied by the number of RSUs or PSUs that have not yet vested or have vested but have not been paid out or distributed. Dollar figures were converted into U.S. dollars using the US\$/C\$ exchange rate on March 31, 2022, being C\$1.2496 per US\$1.00.
- (2) Mr. Boivin stepped down as Chief Financial Officer on July 19, 2021. In connection with his departure, all of Mr. Boivin's remaining unvested RSUs vested and were settled in Common Shares (net of withholdings).
- (3) Effective January 7, 2022, Mr. Pine stepped down from the role of Senior Vice President, Business Development and Strategy. In connection with his departure, his PSUs were forfeited in accordance with their terms and Mr. Pine's vested options remained exercisable for a period of 90 days following his departure, after which they expired and were forfeited unexercised.

### Value Vested or Earned During the Year

The following table presents information regarding the value of equity incentive awards granted to the NEOs that vested during the last completed financial year.

Name	Option-based awards - Value vested during the year <sup>(1)</sup> (US\$)	Share-based awards - Value vested during the year <sup>(2)</sup> (US\$)	Non-equity incentive plan compensation - Value earned during the year <sup>(3)</sup> (US\$)
Ken d'Entremont	Nil	166,441	192,000
Marcel Konrad	Nil	Nil	95,000
Roland Boivin	4,067	261,184	Nil
Mike Adelman	27,339	Nil	90,229
Richard Labelle	4,067	55,480	98,438
Michael Pine	Nil	Nil	Nil

**Notes:**

- (1) Calculated based on the positive difference between the market price of the Common Shares underlying the options at the vesting date and the exercise price of the option on the vesting date and converted into U.S. dollars using the average US\$/C\$ exchange rate from March 31, 2021 to March 31, 2022, being C\$1.2536 per US\$1.00.
- (2) Calculated based on the market price of the Common Shares underlying RSUs at close of trading on the trading day before the relevant vesting date, and converted into U.S. dollars using the average US\$/C\$ exchange rate from March 31, 2021 to March 31, 2022, being C\$1.2536 per US\$1.00.
- (3) These are the same amounts disclosed as compensation in the "Summary Compensation Table" in the column entitled "Annual incentive plans".

### Pension Plan Benefits

The Corporation does not have a pension plan or other similar plan.

### Employment Agreements, Termination and Change of Control Benefits

The employment agreements of Messrs. d'Entremont, Konrad, Adelman, and Labelle include provisions regarding base salary, annual incentives, eligibility for long-term incentives, benefits, expense reimbursement and related

allowances, confidentiality, non-solicitation and/or non-competition covenants, and ownership of intellectual property, among other things. The restrictive covenants under these agreements survive for a period of 18 months following termination of employment, in respect of Mr. d'Entremont's agreement, and 12 months following termination of employment, in respect of the agreements of Messrs. Konrad, Adelman, and Labelle.

Under the employment agreement for Mr. d'Entremont, in the case of either (i) termination of employment by the Corporation without cause (defined in Mr. d'Entremont's employment agreement), including within one year of the effective date of a change in control (defined in Mr. d'Entremont's employment agreement), or (ii) termination of employment by Mr. d'Entremont within 60 days of the occurrence of good reason (defined in Mr. d'Entremont's employment agreement) which resulted from a change in control, Mr. d'Entremont will be entitled to: (a) a single sum cash payment in an amount equal to two times his base salary in effect immediately before the date of termination; (b) a single sum cash payment in an amount equal to two times the greater of (X) the average performance bonus received by him for each of the two preceding fiscal years, and (Y) the performance bonus he received during the preceding fiscal year; and (c) the acceleration of the vesting of all equity awards that would otherwise vest during the 24-month period following the date of termination, and payment of all amounts owed, and satisfaction of all other obligations related to, all equity awards that are so vested. In addition, in such circumstances, Mr. d'Entremont would be entitled to all earned but unpaid base salary through the date of termination, the payment of any annual, long-term, or other cash incentive award earned in respect to any period ending on or before the termination date or payable on or before the termination date, a lump-sum payment in respect of accrued but unused vacation days, any unpaid expense or other reimbursements due, and the continuation of Mr. d'Entremont's benefits provided for under his employment agreement for a period of 24 months following the date of termination.

Under the employment agreement for Mr. Konrad, in the case of termination of Mr. Konrad's employment by the Corporation without cause, Mr. Konrad will be entitled to: (a) a single lump sum severance payment, salary continuance, or a combination of the two, in an amount equal to nine months' base salary paid in lieu of notice, (b) an annual bonus in respect of the year of termination, pro-rated to the termination date (calculated with reference to the average annual bonus in the last three years of employment), (c) the acceleration of the vesting of all equity awards, and (d) continuation of health benefits or, in the Corporation's sole discretion, reimbursement of applicable health insurance premiums.

Under the employment agreements for Mr. Adelman, in the case of either (i) termination of employment without cause, or (ii) a change of control (defined in the employment agreement) that results in termination by the Corporation without cause or the resignation of Mr. Adelman for good reason (defined in the employment agreement), in either case within 12 months of the change of control, Mr. Adelman will be entitled to: (a) a single lump sum severance payment, salary continuance, or a combination of the two, in an amount equal to nine months' base salary paid in lieu of notice, (b) an annual bonus in respect of the year of termination, pro-rated to the termination date (calculated with reference to the average annual bonus in the last three years of employment), (c) the acceleration of the vesting of all equity awards, and payment of all amounts owed, and satisfaction of all other obligations related to, all equity awards that are so vested, and (d) continuation of health benefits or, in the Corporation's sole discretion, reimbursement of applicable health insurance premiums.

Under the employment agreements for Mr. Labelle, in the case of either (i) termination of employment without cause, or (ii) a change of control (defined in the employment agreement) that results in termination by the Corporation without cause or the resignation of Mr. Labelle for good reason (defined in the employment agreement), in either case within 12 months of the change of control, Mr. Labelle will be entitled to: (a) a severance payment in an amount equal to 12 months' base salary paid in lieu of notice, (b) an annual bonus in respect of the year of termination, pro-rated to the termination date (calculated with reference to the average annual bonus in the last three years of employment), and (c) continuation of health benefits or, in the Corporation's sole discretion, reimbursement of applicable health insurance premiums. Mr. Labelle's agreement also provides for a special one-time bonus equal to approximately 70% of his base salary in effect as of the date of his agreement, payment of which is subject to achievement, within a defined period, of an objective relevant to his promotion to General Manager, Canadian Operations in May 2022.

In addition, in the event of a change of control, share-based awards held by the NEOs under the Existing Omnibus Plan and/or the Proposed LTIP may automatically vest, subject to the terms of any particular Award agreement and

discretion of the Board with respect to the appropriate treatment of the share-based awards in the context of any particular change of control transaction. For further details, see “Security Based Compensation Arrangements”.

The following table shows the estimated incremental payments that would have been made to the Corporation’s NEOs upon the occurrence of certain events if those events were to have occurred on March 31, 2022.

<b>Name</b>	<b>Event</b>	<b>Severance (US\$)</b>	<b>Bonus (US\$)</b>	<b>Accelerated Vesting of Share-based awards<sup>(2)</sup></b>	<b>Total Incremental Obligation<sup>(3)</sup> (US\$)</b>
Ken d’Entremont	Termination without cause or within 12 months from a change of control, or resignation within 60 days of the occurrence of good reason resulting from a change in control <sup>(1)</sup>	800,000	276,000	201,653	1,277,653
Marcel Konrad	Termination without cause	225,000	95,000	61,844	381,844
Mike Adelman	Termination without cause or resignation within one year of the occurrence of good reason resulting from a change in control <sup>(1)</sup>	294,225	119,319	120,615	534,159
Richard Labelle	Termination without cause or resignation within one year of the occurrence of good reason resulting from a change in control <sup>(1)</sup>	232,074	116,037	67,218	415,329

**Notes:**

- (1) Assumes termination benefits are triggered under applicable employment agreements as well as the vesting of all Awards under the Existing Omnibus Plan.
- (2) Value of RSUs or PSUs vested upon termination reflects the Common Share price of C\$3.14 at close of trading on March 31, 2022 and converted into U.S. dollars at the US\$/C\$ exchange rate on March 31, 2022, being C\$1.2496 per US\$1.00.
- (3) Does not include the amounts attributable to the continuation of benefits and accrued vacation pay.

## DIRECTOR COMPENSATION

### Board and Committee Retainers

The compensation of Directors is established by the CCG&N Committee and approved by the Board. Directors who are also officers of the Corporation receive no remuneration for serving as Directors.

The Corporation pays cash fees denominated in U.S. dollars. The following table reflects the cash compensation structure for the Board and its committees.

Director Annual Compensation Program		
Board Retainer	Chair of the Board	US\$63,750
	Board Member	US\$35,000
Committee Retainer	Audit Committee Chair	US\$15,000
	Audit Committee Member	US\$7,500
	Compensation, Corporate Governance and Nominating Committee Chair	US\$15,000
	Compensation, Corporate Governance and Nominating Committee Member	US\$7,500
	Business Strategy Committee Chair	US\$20,000
	Business Strategy Committee Member	US\$10,000
Meeting Fees	Board or Committee Meeting	No Meeting Fees

### Director Compensation Table

The following table presents the cash fees earned and equity awards granted to the Directors of the Corporation who are not NEOs, in alphabetical order by last name, during the last completed financial year.

Name	Fees earned <sup>(1)</sup> (US\$)	Share-based awards <sup>(2)</sup> (US\$)	Option based awards <sup>(3)</sup> (US\$)	Non-Equity incentive plan compensation (US\$)	Pension value (US\$)	All other compensation (US\$)	Total (US\$)
Benoit Gravel	77,500	35,375	44,297	Nil	N/A	Nil	157,172
Adele Gulfo	52,500	35,375	44,297	Nil	N/A	Nil	132,172
Michael Mueller	67,500	35,375	44,297	Nil	N/A	Nil	147,172
Stephen Nelson	52,500	35,375	44,297	Nil	N/A	Nil	132,172
Peter van der Velden	81,250	35,375	44,297	Nil	N/A	Nil	160,922

**Notes:**

- (1) Reflects the aggregate fees earned by the Directors, including the value of RSUs awards granted in lieu of cash fees for the fiscal year ended March 31, 2022 (which amounts are in not included in the amounts shown in the "Share-based awards" column above). Cash fees paid in Canadian dollars were converted into U.S. dollars using the average US\$/C\$ exchange rate from March 31, 2021 to March 31, 2022, being C\$1.2536 per US\$1.00.
- (2) The values for the share-based awards shown in the table above reflect the value of RSUs granted to Directors in respect of the year ended March 31, 2022 based on the trading price on the trading date before the grant date and converted into U.S. dollars using the average US\$/C\$ exchange rate from March 31, 2021 to March 31, 2022, being C\$1.2536 per US\$1.00.
- (3) In determining the fair value of the options-based awards, the Corporation used the Black-Scholes method, with the following assumptions: (a) risk-free interest rate: 1.23%, (b) forecasted volatility: 53.28%, (c) dividend yield: 0%, (d) expected life: 10 years. The Black-Scholes method was used because it is one of the most commonly used methods of calculating the value of options. The values in the table above were converted into U.S. dollars using the average US\$/C\$ exchange rate from March 31, 2021 to March 31, 2022, being C\$1.2536 per US\$1.00.

## Incentive Plan Awards

### Outstanding Option-Based Awards

The following table presents the option-based equity awards granted to the Directors of the Corporation who are not NEOs, in alphabetical order by last name, outstanding as of the end of the last completed financial year.

Name	Number of securities underlying unexercised options (#)	Option exercise Price (C\$)	Option expiration date	Value of unexercised options <sup>(1)</sup> (US\$)
Benoit Gravel	6,667	4.50	September 22, 2027	Nil
	10,080	6.60	December 19, 2030	Nil
	26,318	3.37	September 16, 2031	Nil
Adele Gulfo	10,080	6.60	December 19, 2030	Nil
	26,318	3.37	September 16, 2031	Nil
Michael Mueller	12,000	4.50	September 4, 2024	Nil
	5,000	5.10	July 23, 2025	Nil
	11,667	4.50	July 25, 2026	Nil
	4,667	4.50	July 27, 2027	Nil
	10,080	6.60	December 19, 2030	Nil
	26,318	3.37	September 16, 2031	Nil
Stephen Nelson	10,080	6.60	December 19, 2030	Nil
	26,318	3.37	September 16, 2031	Nil
Peter van der Velden	10,080	6.60	December 19, 2030	Nil
	26,318	3.37	September 16, 2031	Nil

**Note:**

- (1) The value of unexercised options is calculated using the closing price of the Common Shares of the Corporation on the TSX March 31, 2022 (C\$3.14) less the exercise price of the relevant options, and has been converted into U.S. dollars using the US\$/C\$ exchange rate on March 31, 2022, being C\$1.2496 per US\$1.00.

### Outstanding Share-Based Awards

The following table presents the share-based equity awards granted to the Directors of the Corporation who are not NEOs, in alphabetical order by last name, outstanding as of the end of the last completed financial year.

Name	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed <sup>(1)</sup> (US\$)
Benoit Gravel	20,443	51,369	102,595
Adele Gulfo	19,990	50,231	Nil
Michael Mueller	20,443	51,369	95,323

Name	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed <sup>(1)</sup> (US\$)
Stephen Nelson	20,443	51,369	83,616
Peter van der Velden	23,176	58,237	116,680

**Note:**

- (1) The value of share-based awards that have not vested and share-based awards that have vested but not been paid out or distributed is calculated using the closing price of the Common Shares of the Corporation on the TSX on March 31, 2022 (C\$3.14) multiplied by the number of RSUs that have not yet vested or have vested but have not been paid out or distributed. Dollar figures were converted into U.S. dollars using the US\$/C\$ exchange rate on March 31, 2022, being C\$1.2496 per US\$1.00.

**Value Vested or Earned During the Year**

The following table presents information regarding the value of equity awards granted to the Directors of the Corporation who are not NEOs, in alphabetical order by last name, that vested during the last completed financial year.

Name	Option-based awards - Value vested during the year <sup>(1)</sup> (US\$)	Share-based awards - Value vested during the year <sup>(2)</sup> (US\$)	Non-equity incentive plan compensation - Value earned during the year (US\$)
Benoit Gravel	Nil	65,940	Nil
Adele Gulfo	Nil	45,476	Nil
Michael Mueller	Nil	60,297	Nil
Stephen Nelson	Nil	52,714	Nil
Peter van der Velden	Nil	75,414	Nil

**Notes:**

- (1) Calculated based on the positive difference between the market price of the Common Shares underlying the options at the vesting date and the exercise price of the option on the vesting date.
- (2) Calculated based on the market price of the Common Shares underlying RSUs at close of trading on the trading day before the relevant vesting date, and converted into U.S. dollars using the average US\$/C\$ exchange rate from March 31, 2021 to March 31, 2022, being C\$1.2536 per US\$1.00.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details with respect to compensation plans under which equity securities of the Corporation are authorized for issuance as of the end of the last completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(1)</sup> (a)	Weighted-average exercise price of outstanding options, warrants and rights <sup>(1)</sup> (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	1,765,289 <sup>(2)(3)</sup>	\$5.18	589,043
Equity compensation plans not approved by security holders	Nil	N/A	N/A
<b>Total</b>	<b>1,765,289</b>	<b>\$5.18</b>	<b>589,043</b>

**Notes:**

- (1) Reflects the weighted-average exercise price of outstanding Options only. Other than the RSUs and PSUs, there are no warrants or other rights outstanding under any equity compensation plan.
- (2) Includes Options issued under the Existing Omnibus Plan and its predecessor stock option plan.
- (3) Includes Common Shares underlying 821,626 options, 695,050 RSUs, and 248,613 PSUs under the Existing Omnibus Plan, and assumes vesting of PSUs at 100%. Outstanding PSUs generally vest only upon the Corporation's achievement and public disclosure of long-term company-level financial objectives. Based on the terms of outstanding PSUs, these PSUs are unlikely to vest before March 31, 2024 or, in the case of a significant portion of outstanding PSUs, later dates.

The following table shows the Corporation's "burn rate" (calculated by dividing the number of awards granted during the given financial year by the weighted average number of Common Shares outstanding for that financial year) for each of the financial years ended March 31, 2022, 2021, and 2020.

	Award Type	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Existing Omnibus Plan	Options	2.7%	1.3%	0%
	RSUs	0.9%	0.5%	0.06%
	PSUs <sup>(1)</sup>	1.3%	0.5%	0%
<b>Total<sup>(1)</sup></b>		<b>4.9%</b>	<b>2.3%</b>	<b>0.06%</b>

**Notes:**

- (1) Assumes that all PSUs vest at 100%. Outstanding PSUs generally vest only upon the Corporation's achievement and public disclosure of long-term company-level financial objectives. Based on the terms of outstanding PSUs, these PSUs are unlikely to vest before March 31, 2024 or, in the case of a significant portion of outstanding PSUs, later dates.

## SECURITY BASED COMPENSATION ARRANGEMENTS

The key terms and conditions of the Existing Omnibus Plan, as amended in calendar year 2021, are described below under “Existing Omnibus Plan”.

At the Meeting, shareholders will be asked to approve the Proposed LTIP. The key terms and conditions of the Proposed LTIP are set out below under “Proposed LTIP”. For additional details on the Proposed LTIP Resolution see “Particulars of Matters to be Acted Upon at the Meeting—Approval of New Long Term Incentive Plan” and the complete version of the Proposed LTIP set out in Appendix B.

If the Proposed LTIP is approved by shareholders at the Meeting, then the Proposed LTIP will govern all Grants issued on or after the effective date of the Proposed LTIP, and no new Awards will be granted under the Existing Omnibus Plan. The Existing Omnibus Plan will continue remain in effect for as long as any Awards granted under the Existing Omnibus Plan remain outstanding. Any Awards granted under the Existing Omnibus Plan will continue to be governed by the terms of the Existing Omnibus Plan.

Assuming the Proposed LTIP is approved by shareholders at the Meeting, to the extent any Awards granted under the Existing Omnibus Plan are terminated, cancelled, or forfeited for any reason before exercise or settlement in full, the Common Shares subject to those Awards (or any portion of any such Award) will be added to the number of Common Shares reserved for issuance as Grants under the Proposed LTIP. See “Particulars of Matters to be Acted Upon at the Meeting—Approval of New Long Term Incentive Plan”.

### Existing Omnibus Plan

The Existing Omnibus Plan permits the grant of options (“**Options**”), restricted share units (“**RSUs**”), deferred share units (“**DSUs**”), and performance share units (“**PSUs**”, and together with Options, RSUs, and DSUs, “**Awards**”) to eligible participants under the Existing Omnibus Plan. Eligible participants include the Corporation’s directors, officers, employees, and consultants (the “**Participants**”). As of March 31, 2022, there were 821,626 Options, 695,050 RSUs, and 248,613 PSUs outstanding under the Existing Omnibus Plan, representing approximately 4.1%, 3.5%, and 1.2% of the issued and outstanding Common Shares as of March 31, 2022.

The maximum number of Common Shares issuable pursuant to all Awards issued under the Existing Omnibus Plan may not exceed 2,949,252, being 20% of the issued and outstanding Common Shares on the date the Existing Omnibus Plan was initially approved by shareholders. As at March 31, 2022, this maximum represents approximately 14.8% of the number of issued and outstanding Common Shares of the Corporation. As at March 31, 2022, a maximum of 589,043 Common Shares remain available for Awards, representing approximately 3.0% of the issued and outstanding Common Shares as of March 31, 2022. To the extent that an Award lapses or the rights of its Participant terminate, any Common Shares subject to that Award become available for the grant of new Awards.

If the Proposed LTIP Resolution is approved by shareholders, no additional Awards will be made under the Existing Omnibus Plan, and the additional 589,043 Common Shares currently available for Awards under the Existing Omnibus Plan will instead become available for Grants under the Proposed LTIP.

Awards are generally not transferable or assignment, other than upon a Participant’s death.

No Awards may be granted to any Participant if at the time of such grant such grant could result in the number of Common Shares (a) issued to insiders (as a group) in any one year, or (b) issuable to insiders (as a group), at any time, in each case, pursuant to the settlement of Awards issued under the Existing Omnibus Plan, or when combined with all other securities-based compensation arrangements, exceeding 10% of the total issued and outstanding Common Shares. Aside from the foregoing, the Existing Omnibus Plan does not provide for a maximum number of Common Shares which may be issued to an individual pursuant to the Existing Omnibus Plan and any other security-based compensation arrangement (expressed as a percentage or otherwise).

The Existing Omnibus Plan provides for customary adjustments or substitutions in the number of Common Shares that may be issued under the Existing Omnibus Plan in the event of a change in the Corporation’s capital structure,

distribution (other than normal cash dividends) to shareholders of the Corporation, or other significant corporate events or transactions (such as mergers, amalgamations, combinations, reorganizations, stock splits and reverse stock splits, or exchanges of securities). In the event of a Change of Control (defined in the Existing Omnibus Plan) of the Corporation, the Board has discretion as to the treatment of Awards.

The Board may, at any time, amend, suspend, or terminate the Existing Omnibus Plan or amend any Award Agreement, provided that (i) no such amendment of the Existing Omnibus Plan or Award Agreement may materially and adversely impair any rights arising from any Awards previously granted to a Participant without the consent of that Participant, and (ii) shareholder approval is required for any of the following:

- (a) increase in the number of Common Shares issuable pursuant to the Existing Omnibus Plan;
- (b) increase or remove the limits on Common Shares issued or issuable to insiders;
- (c) reduce the exercise price of an outstanding Option (other than as contemplated by the adjustment provisions of the Existing Omnibus Plan);
- (d) amend the maximum term of the Options to a date more than 10 years from the date of grant;
- (e) extend the term of any Award made under the Existing Omnibus Plan beyond the original expiry date, except as contemplated by the Existing Omnibus Plan where an Award is scheduled to expire during, or within 10 business days after, the last day of a blackout period under the Corporation's insider trading policy;
- (f) amend the assignment provisions of the Existing Omnibus Plan;
- (g) amend the amendment provisions of the Existing Omnibus Plan to amend or delete any of (a) through (f) or grant additional powers to the Board to amend the Existing Omnibus Plan or entitlements without shareholder approval; and
- (h) any amendment that requires shareholder approval under the rules or policies of any stock exchange upon which the Common Shares are listed or any applicable law,

unless, in each case, in accordance with the adjustment provisions of the Existing Omnibus Plan.

The Existing Omnibus Plan was most recently amended following the Corporation's annual and special meeting of shareholders held on September 16, 2021 to implement certain changes as a result of the Corporation's graduation from the TSXV to the TSX. These amendments primarily included changes to the definition of "FMV", the participation limits relating to individuals and insiders, and the amendment provisions of the Existing Omnibus Plan. A copy of the Existing Omnibus Plan is available for review on the Corporation's profile at [www.sedar.com](http://www.sedar.com) and at the office of the Corporation at 35 Nixon Road, Suite 1, Bolton, Ontario during normal business hours.

The following is a summary of the various types of Awards issuable under the Existing Omnibus Plan. For clarity, references in this section to the Board includes any duly authorized committee of the Board.

#### *Options*

Subject to the terms and conditions of the Existing Omnibus Plan, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the options, the number of Common Shares to which the Option pertains, and the conditions, if any, upon which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options is determined by the Board at the time any Option is granted. The exercise price may not be lower than the five-day volume weighted average price of the Common Shares on the TSX determined as of the date of grant. The exercise price is payable to the Corporation in full by the Participant upon exercise.

The vesting conditions for each grant of an Option under the Existing Omnibus Plan are determined by the Board and are specified in the corresponding Award Agreement.

Subject to any requirements of the TSX, the Board may determine the expiry date of each Option. Options may generally be exercised for a period of up to 10 years after the grant date, provided that: (i) upon a Participant's termination for cause, all Options, whether vested or not as at the date on which a Participant ceases to be eligible to participate under the Existing Omnibus Plan as a result of termination of employment (any such date, the "**Termination Date**"), automatically and immediately expire and are forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date automatically and immediately vest, and all vested Options continue to be subject to the Existing Omnibus Plan and are exercisable for a period of 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options continue to vest (and are exercisable) in accordance with the terms of the Existing Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date automatically and immediately expire and are forfeited on that date; (iv) in the case of the retirement of a Participant, the Board may determine whether to accelerate the vesting of the Options, cancel the Options with or without payment of consideration to the Participant, and determine how long, if at all, the Options may remain outstanding following the Termination Date, provided that no Options may remain exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Existing Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options automatically and immediately expire and are forfeited as of the Termination Date, and all vested Options continue to be subject to the Existing Omnibus Plan and are exercisable for a period of 90 days after the Termination Date. In addition, the Existing Omnibus Plan provides for a limited extension in the event an Option would expire during a blackout period under the Corporation's insider trading policy.

#### *Restricted Share Units*

Subject to the terms and conditions of the Existing Omnibus Plan, the Board may grant RSUs to Participants in such amounts and upon such terms (including time-based restrictions) as the Board shall determine, which may be settled in Common Shares or as otherwise determined by the Board.

Each RSU has an initial value equal to the fair market value of a Common Share on the date of grant. After the applicable vesting period has ended, the holder of the RSU is entitled to receive payout on the value and number of vested RSUs, determined as a function of the extent to which the corresponding vesting criteria have been achieved.

The vesting conditions for each grant of an RSU under the Existing Omnibus Plan are determined by the Board and are specified in the corresponding Award Agreement, provided that: (i) upon a Participant's termination for cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date automatically and immediately expire and are forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date automatically and immediately vest and are paid out; (iii) in the case of the disability of a Participant, all RSUs continue to vest in accordance with the terms of the Existing Omnibus Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not vested within 12 months after the Termination Date automatically and immediately expire and are forfeited on that date; (iv) in the case of the retirement of a Participant, the Board may determine whether to accelerate the vesting of the RSUs, cancel the RSUs with or without payment of consideration to the Participant, and determine how long, if at all, the RSUs may remain outstanding following the Termination Date, provided that no RSUs may remain exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Existing Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs automatically and immediately expire and are forfeited as of the Termination Date, and all vested RSUs are paid out in accordance with the Existing Omnibus Plan.

#### *Performance Share Units*

Subject to the terms and conditions of the Existing Omnibus Plan, the Board may grant PSUs to Participants in such amounts and upon such terms (including the performance criteria applicable to such PSUs) as the Board shall determine, which may be settled in Common Shares or as otherwise determined by the Board. Each PSU has an initial

value equal to the fair market value of a Common Share on the date of grant. After the applicable performance period has ended, the holder of the PSU is entitled to receive payout on the value and number of vested PSUs, determined as a function of the extent to which the corresponding performance criteria have been achieved.

Participants holding PSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion. The Board has made no such a determination in respect of any PSUs through the date of this Information Circular.

The extent to which a Participant has the right to retain PSUs following termination the Participant's employment or other relationship with the Corporation is determined in the sole discretion of the Board, need not be uniform among all PSUs issued under the Existing Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions comply with the applicable rules of the TSX.

#### *Deferred Share Units*

Subject to the terms and conditions of the Existing Omnibus Plan, the Board may grant DSUs to Participants in such amounts and upon such terms (including the requirement that Participants pay a stipulated purchase price for each DSU, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the TSX, or holding or sale restrictions placed on the Common Shares by the Corporation upon vesting of such DSUs) as the Board shall determine. No DSUs have been issued under the Existing Omnibus Plan.

#### **Proposed LTIP**

The Proposed LTIP is administered by the Board or any duly authorized committee of the Board appointed by the Board to administer the Proposed LTIP. In accordance with its charter, the CCG&N Committee constitutes such a duly authorized committee of the Board, and is expected to administer the Proposed LTIP on behalf of the Board. The Board or the relevant committee of the Board has the authority to interpret the Proposed LTIP, including in respect of any award granted under the Proposed LTIP. The Proposed LTIP permits the Board or the relevant committee of the Board to grant awards of options, RSUs and PSUs to eligible participants ("**Grants**"). The following discussion is qualified in its entirety by the full text of the Proposed LTIP, a copy of which is set out in Appendix B.

The purpose of the Proposed LTIP is to (i) promote further alignment of interests between directors, officers, employees and other eligible service providers of the Corporation and shareholders, (ii) associate a portion of the compensation payable to directors, officers, employees and other eligible service providers of the Corporation with the returns achieved by shareholders; and (iii) attract and retain officers, employees and other eligible service providers with the knowledge, experience and expertise required by the Corporation.

#### *Eligibility*

Directors or any individual employed by the Corporation, including a service provider, who, by the nature of their position or job is, in the opinion of the Board, in a position to contribute to the success of the Corporation is eligible to receive Grants under the Proposed LTIP.

#### *Common Shares Reserved for Issuance*

The aggregate number of Common Shares that may be issued pursuant to Grants made under the Proposed LTIP is 734,043, representing approximately 3.7% of the number of issued and outstanding Common Shares as of the date of this Information Circular. This number is inclusive of the 145,000 Common Shares proposed to be reserved for issuance under the Proposed LTIP together with the remaining Common Shares available for Awards under the Existing Omnibus Plan. For purposes of computing the total number of Common Shares available for grant under the Proposed LTIP or any other security-based compensation arrangement of the Corporation, Common Shares subject to any Grant (or any portion of any such Grant) that is forfeited, surrendered, cancelled or otherwise terminated (including in connection with a net settlement of a Grant), prior to the issuance of such Common Shares will again be

available for grant under the Proposed LTIP. In addition, in the event that currently existing Awards under the Existing Omnibus Plan are cancelled, forfeited or expire unexercised, the underlying reserved Common Shares which currently form part of the Run-Off Reserve will also transfer to the Proposed LTIP and become available for purpose of satisfying newly issued Grants under the Proposed LTIP. See “Particulars of Matters to be Acted Upon at the Meeting – Approval of New Long Term Incentive Plan”.

#### *Insider Participation Limit*

The maximum number of Common Shares that are (i) issued to insiders within any one year period; and (ii) issuable to insiders, at any time, under the Proposed LTIP, or when combined with all of the Corporation's other security-based compensation arrangements, will not exceed 10% of the number of the aggregate issued and outstanding Common Shares.

#### *Non-Employee Director Participation Limits*

The aggregate number of Common Share that may be issued to any non-employee director pursuant to Grants made under the Proposed LTIP together with all other security-based compensation arrangements of the Corporation must not exceed 1.0% of the aggregate number of issued and outstanding Common Shares from time to time. Further, the aggregate equity award value of any Grants made under the Proposed LTIP, together with the aggregate equity award value of any awards under all other security based compensation arrangements, to a non-employee director for any one-year period, other than in lieu of cash fees, shall not exceed C\$150,000, of which no more than C\$100,000 of value may comprise stock options.

#### *Options*

The Proposed LTIP provides that options granted shall vest in accordance with the terms of the Grant approved by the Board and based on continued employment, and may be exercised during a period determined by the Board, which may not exceed ten years. The exercise price for each Common Share subject to an option will be fixed by the Board but under no circumstances may any exercise price be less than 100% of the market price on the date of grant of the option. The exercise of options may be subject to other vesting conditions, including specific time schedules for vesting and performance-based conditions.

The Proposed LTIP provides that if the normal expiry date of an option falls within a blackout period or within 10 business days following the end of a blackout period, then the expiry date of such Option will automatically be extended to the date that is 10 business days following the end of such period.

Participants under the Proposed LTIP (each, a “**Participant**”) will be entitled to surrender the right to acquire Common Shares under options in exchange for the in-the-money amount of the options, payable in cash or Common Shares, at the Corporation’s discretion.

#### *Share Units*

The Proposed LTIP provides that Participants may be allocated share units in the form of RSUs or PSUs (collectively, “**Share Units**”), which represent the right to receive an equivalent number of Common Shares or the market price in cash on the vesting date. The issuance of such Common Shares may be subject to vesting requirements similar to those described above with respect to the exercise of options, including such time- or performance-based conditions as may be determined from time to time by the Board in its discretion. The Proposed LTIP provides for the express designation of Share Units as either RSUs, which have time-based vesting conditions, or PSUs, which have performance-based vesting conditions over a specified period. Except as otherwise provided in an applicable Grant agreement, if and when cash dividends (other than extraordinary or special dividends) are paid with respect to the Common Shares, a number of dividend equivalent Share Units will be credited to the Share Unit account of the applicable Participants.

The Proposed LTIP provides that if Share Units are scheduled to settle during a blackout period, such settlement will be postponed until the earlier of the trading day following the date on which the blackout period ends and the latest

otherwise applicable date for settlement and the market price of any RSUs or PSUs settled in cash will be determined as of the earlier of the trading day on which the blackout period ends and the day before the settlement date.

#### *Termination of Grants*

Subject to the terms of the applicable Grant agreement: (i) in the case of a Participant's termination due to death or disability, the Participant's outstanding options that have become vested before the Participant's date of death or disability shall continue to be exercisable during the 12 month period following such date of death or disability; (ii) in the case of a Participant's termination without cause, the Participant's outstanding options that have become vested before the Participant's termination shall continue to be exercisable during the 90-day period following the Participant's date of termination; (iii) in the case of a Participant's resignation, the Participant's outstanding options that have become vested before the date on which the Participant provides notice to the Corporation of their resignation shall continue to be exercisable during the 90-day period following the Participant's date of resignation; and (iv) in the case of a Participant's termination for cause, the Participant's outstanding options that have become vested before the Participant's termination shall continue to be exercisable during the 10 business days following the Participant's date of termination.

Subject to the terms of the applicable Grant agreement, in the case of a Participant's termination, other than for cause, any and all then outstanding options granted to a Participant that have not vested before such termination, shall not vest and shall be immediately forfeited and cancelled, without any consideration, as of the date of termination, and Participants shall have no claim to damages in respect of the forfeiture and cancellation, whether related to or attributable to contractual or common law termination entitlements or otherwise. Notwithstanding any provision in the Proposed LTIP or the applicable Grant agreement, in the case of a Participant's termination for cause, any and all then outstanding options granted to such Participant that have not vested before such termination shall be immediately forfeited and cancelled, without any consideration, as of the date of termination, and Participants shall have no claim to damages in respect of the forfeiture and cancellation, whether related to or attributable to contractual or common law termination entitlements or otherwise.

Subject to the terms of the applicable Grant agreement, in the event a Participant's employment is terminated for any reason, including the Participant's resignation, termination without cause, death or termination for cause, Share Units that have not vested before such termination, shall not vest and all such Share Units shall be forfeited immediately.

#### *Transferability*

No Grants and no rights or interests in any Grant may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession. A Participant may designate a beneficiary, in writing, to receive any benefits that are provided under the Proposed LTIP upon the death of such Participant.

#### *Adjustments*

The Proposed LTIP contains provisions for the equitable treatment of Grants in relation to any capital changes and with regard to a dividend, split, recapitalization, reclassification, amalgamation, arrangement, merger, consolidation, combination or exchange of Common Shares or distribution of rights to holders of Common Shares or any other relevant changes to the authorized or issued capital of the Corporation.

#### *Change in Control*

The Proposed LTIP provides that in the event of a Change in Control (for the purposes of this section, as defined in the Proposed LTIP) before the vesting of a Grant, and subject to the terms of a Participant's employment agreement and the applicable Grant agreement, all Grants shall immediately vest, without giving effect to any multiplier associated with performance conditions attaching to a Grant, provided that the Board will have full authority to determine in its sole discretion the effect, if any, of a Change in Control on the vesting, exercisability, settlement, payment or lapse of restrictions applicable to a Grant.

### *Amendment and Termination*

The Proposed LTIP and any Grant made pursuant to the Proposed LTIP may be amended, modified or terminated by the Board without approval of Shareholders, provided that no amendment may be made without the consent of a Participant if it adversely affects the rights of the Participant in respect of any Grant previously made to such Participant, and the Proposed LTIP may not be amended without shareholder approval to do any of the following:

- (a) increase in the maximum number of Common Shares issuable pursuant to the Proposed LTIP;
- (b) increase the number of Common Shares that may be issued or issuable to insiders above the restriction or deleting the restriction on the number of Common Shares that may be issued or issuable to insiders;
- (c) increase or remove the limits on Common Shares issuable or issued to non-employee Directors described above under “ – Non-Employee Director Participation Limits”;
- (d) reduce the exercise price of an outstanding option, except as otherwise provided under “– Adjustments”;
- (e) amend the maximum term of the options to a date that is more than ten years from the grant date;
- (f) extend the maximum term of any Grant made under the Proposed LTIP, except as otherwise provided under “– Adjustments”;
- (g) amend the assignment provisions described above under “– Transferability”;
- (h) the addition of any form of financial assistance to a Participant;
- (i) include other types of equity compensation involving the issuance of Common Shares under the Proposed LTIP; or
- (j) amend the amendment provisions of the Proposed LTIP to amend or delete any of (a) through (j) or grant additional powers to the Board to amend the Proposed LTIP or entitlements without shareholder approval;

provided that, shareholder approval is not required for, among other things, the following amendments:

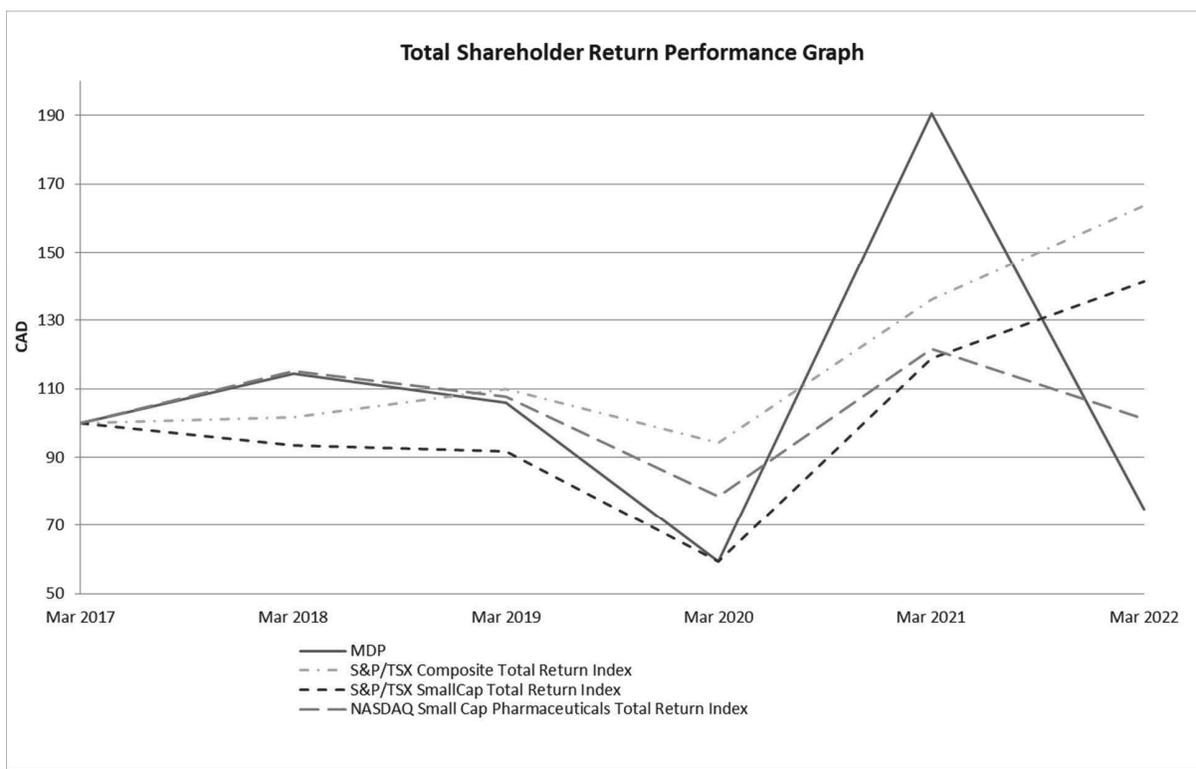
- (k) amendments of a “housekeeping” nature;
- (l) a change to the vesting provisions of any Grants; or
- (m) a change to the termination provisions of any Grant that does not entail an extension beyond the original term of the Grant.

Subject to the foregoing, the Board may also, from time to time, amend the LTIP for purposes of establishing one or more sub-plans for the benefit of eligible individuals subject to the laws of a jurisdiction other than Canada in connection with their participation in the LTIP.

## PERFORMANCE GRAPH

The following graph compares the cumulative shareholder return of a \$100 investment in Common Shares over the five most recently completed financial years, with a cumulative total shareholder return on the S&P/TSX Composite Total Return Index, the S&P/TSX SmallCap Total Return Index, and the NASDAQ Small Cap Pharmaceuticals Total Return Index for the same period.

### Relative Total Return Performance – March 31, 2017 to March 31, 2022



	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022
Common Shares	\$100	\$114.29	\$105.95	\$59.52	\$190.48	\$74.76
S&P/TSX Composite Total Return Index	\$100	\$101.71	\$109.96	\$94.34	\$136.08	\$163.55
S&P/TSX SmallCap Total Return Index	\$100	\$93.43	\$91.74	\$59.40	\$118.89	\$141.26
NASDAQ Small Cap Pharmaceuticals Total Return Index	\$100	\$115.11	\$107.78	\$78.55	\$121.52	\$101.19

During the period above, total shareholder returns for Common Shares were approximately (25.2)%, compared to 63.6% for the S&P/TSX Composite Total Return Index, 41.3% for the S&P/TSX SmallCap Total Return Index, and 1.2% for the NASDAQ Small Cap Pharmaceuticals Total Return Index. During that period, the Corporation has sought to closely link total compensation received by NEOs to the performance of the Corporation and the achievement of strategic initiatives and corresponding increases in total shareholder returns.

The Corporation has generally administered NEO compensation to reflect the Corporation's growth and achievements over this time, to align with the Corporation's performance when compared to market trends. For example, annual incentive payouts increased in value in financial year 2021 compared to financial year 2020 but decreased in financial year 2022 compared to financial year 2021, consistent with the overall market performance of the Common Shares during those periods. Consideration is also given to the evolving roles and responsibilities of NEOs over time when determining compensation levels, including for promotions and other expansions in an NEO's duties.

### **INDEBTEDNESS OF EXECUTIVE OFFICERS AND DIRECTORS**

During the financial year ended March 31, 2022, and as at the date of this Information Circular, none of the Directors, executive officers, employees (or previous Directors, executive officers or employees) of the Corporation, each proposed nominee for election as a Director of the Corporation, and any associate of such a person was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set out in this Information Circular, management of the Corporation is not aware of any material interest, direct or indirect, that any Director, proposed Director, executive officer, shareholder of the Corporation holding or having control or direction over, directly or indirectly, as beneficial owner, more than 10% of the outstanding Common Shares of the Corporation, or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation.

### **MANAGEMENT CONTRACTS**

Other than as set out in this Information Circular, during the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the Directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

### **CORPORATE GOVERNANCE PRACTICES**

National Policy 58-201 – *Corporate Governance Guidelines* and National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer must disclose on an annual basis the corporate governance practices that it has adopted.

#### **Board of Directors**

1. Independent Directors

The independent Directors of the Corporation are Peter van der Velden, Benoit Gravel, Michael Mueller, Stephen Nelson and Adele Gulfo.

2. Non-Independent Directors

Ken d'Entremont is considered a non-independent Director of the Corporation, as he holds the position of Chief Executive Officer of the Corporation.

The Corporation has taken steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management of the Corporation. The independent Directors regularly hold meetings and portions of meetings at which non-independent Directors and members of management are not present. Both the Audit Committee and the CCG&N Committee comprise only independent Directors.

### **Board Mandate**

The Board operates under the Mandate of the Board of Directors set out at Appendix A, pursuant to which it provides governance and stewardship to the Corporation and its business. The Mandate also describes the Board's responsibility for, among other things: participating in the development of and adopting a strategic plan for the Corporation and business and capital plans generated by management; supervising the activities and managing the affairs of the Corporation; defining the roles and responsibilities of management and delegating management authority to the CEO; reviewing and approving the business and investment objectives to be met by management; assessing the performance of and overseeing management; identifying and managing risk exposure; ensuring the integrity and adequacy of the Corporation's internal controls and management information systems; succession planning; establishing committees of the Board, where required or prudent, and defining their mandate; ensuring effective and adequate communication with shareholders, other investors and stakeholders, and the public; and monitoring the social responsibility, integrity, and ethics of the Corporation.

### **Meetings**

The Board meets not less than four times per year: three meetings to review quarterly results and one meeting before the issuance of the annual financial results of the Corporation. At each Board meeting, unless otherwise determined by the Board, an *in camera* meeting of independent directors takes place, which sessions are chaired by the Chair of the Board. During the year ended March 31, 2022, the independent Directors held *in camera* meetings that were not attended by management and non-independent Directors at 10 of the 19 Board and committee meetings held.

The Chair of the Board provides leadership to the directors in discharging the Board's mandate, including: leading, managing, and organizing the Board consistent with the approach to governance adopted by the Board from time to time; promoting collaboration among the directors; and ensuring that the responsibilities of the Board and its committees are well understood by the directors. The Chair of the Board provides advice, counsel, and mentorship to the Corporation's management team, promotes the provision of information to the directors on a timely basis, is responsible for various tasks in connection with meetings of the directors, and presides over meetings of the Corporation's shareholders.

In discharging its mandate, the Board and any committee of the Board have the authority to retain and receive advice from such outside financial, legal, or other advisors as the Board or any such committee determines to be necessary to permit it to carry out its duties. Any such advisor is engaged at the cost of the Corporation.

The Board requests that members of senior management attend each Board meeting to provide information and opinions to assist the members of the Board in their deliberations. Management attendees who are not Board members are excused for any agenda items which are reserved for discussion among directors only.

Each Director is expected to attend all meetings of the Board and any committee of which they are a member. The following table sets out the number of Board and standing committee meetings held and attendance by the Directors for the year ended March 31, 2022:

<b>Name</b>	<b>Board Meetings Attended</b>	<b>Committee Meetings Attended</b>
Ken d'Entremont	10 of 10	1 of 1
Benoit Gravel	10 of 10	9 of 9
Adele Gulfo	9 of 10	4 of 5
Michael Mueller	10 of 10	9 of 9
Stephen Nelson	10 of 10	5 of 5
Peter van der Velden	10 of 10	5 of 5

### **Directorships**

The following Directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

<b>Name of Director</b>	<b>Issuer</b>
Adele Gulfo	EnPro Industries, Inc. (NYSE) Myovant Sciences Ltd (NYSE)
Michael Mueller	Laurentian Bank of Canada (TSX) Gensource Potash Corporation (TSXV)

### **Position Descriptions**

The Board has not developed position descriptions for the Chair of the Board or the chair of each committee of the Board. However, the Board has developed a mandate for the Board and a charter for each of these committees, and the Chair of the Board and of each committee is responsible for ensuring that the relevant mandates are followed. The Board has not developed a position description for the Chief Executive Officer. However, the role and responsibilities of the Chief Executive Officer are set out in the employment agreement of the Chief Executive Officer and are otherwise developed and defined with the assistance of the Board.

### **Board Committees**

#### *Audit Committee*

The Audit Committee consists of Mr. Mueller (Chair), Mr. Gravel, and Mr. van der Velden, each of whom is considered "independent" for purposes of audit committees and "financially literate" within the meaning of NI 52-110. The Audit Committee operates under the Charter of the Audit Committee, pursuant to which the Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to: financial reporting and disclosure; ensuring that an effective risk management and financial control framework has been designed, implemented, and tested by management of the Corporation; external audit processes; helping Directors meet their responsibilities; providing better communication between Directors and the Corporation's external auditors; ensuring the independence of the external auditors; increasing the credibility and objectivity of the Corporation's financial reporting; and strengthening the role of Directors by facilitating in-depth discussions among Directors, management, and the Corporation's external auditors regarding significant issues involving judgment and impacting quality controls and financial reporting.

In accordance with NI 52-110, shareholders may obtain further information concerning the Corporation's Audit Committee in the Corporation's most recent Annual Information Form, which is available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

#### *CCG&N Committee*

The CCG&N Committee consists of Mr. Gravel (Chair), Ms. Gulfo, Mr. Mueller, and Mr. Nelson, each of whom is an independent Director. The Board has adopted a written charter for the CCG&N Committee setting out its responsibilities for compensation, nomination, and governance matters, as described under the heading "Executive Compensation – Compensation Governance" and below at "– Nomination and Election of Directors", "– Orientation and Continuing Education" and "– Assessments".

#### *Business Strategy Committee*

The Business Strategy Committee consists of Mr. Gravel (Chair), Mr. d'Entremont, Ms. Gulfo, Mr. Mueller, Mr. Nelson, and Mr. van der Velden. The Board has adopted a written charter for the Business Strategy Committee setting out its responsibilities. The Business Strategy Committee is responsible for: (i) utilizing the experience, skills and knowledge of the members of the Business Strategy Committee to review and consider the strategic plan for the Corporation; (ii) reviewing and considering business development and other strategic opportunities that may be available to the Corporation from time to time; (iii) reviewing and providing feedback to management of the Corporation regarding the short- and long-term strategic and business plans prepared by management of the Corporation; (iv) reviewing and considering the Corporation's strategic planning process from time to time; (v) providing advice and assistance to management of the Corporation as and when requested with respect to any of the foregoing matters; (vi) if determined advisable, making recommendations to the Board with respect to any of the foregoing matters, including the adoption of a strategic plan by the Board in accordance with the Board Mandate; (vii) coordinating its efforts and discharging its mandate in coordination with senior management and the financial and legal advisors of the Corporation as it deems advisable or necessary; and (viii) any other responsibilities that are specifically delegated to the Business Strategy Committee by the Board which the Board is authorized to delegate by applicable laws and regulations. In discharging its mandate, the Business Strategy Committee reviews and considers the Corporation's strategic plans in light of management's assessment of emerging trends, the competitive environment, the capital markets, the significant business practices and products, the opportunities and risks for the businesses of the Corporation, and industry practices.

#### **Orientation and Continuing Education**

The CCG&N Committee is responsible for overseeing the orientation for new Board members in order to familiarize them with the Corporation and its business (including the Corporation's reporting and organizational structure, strategic plans, significant financial, accounting and risk issues, compliance programs and policies, management, and external auditors), the role of the Board and its committees, and the contribution that an individual Director is expected to make to the Board, its committees, and the Corporation.

In addition, the CCG&N Committee is charged with recommending to the Board (and coordinating the development of) continuing education activities or programs for directors from time to time as appropriate, which are intended to assist directors in maintaining and enhancing their skills and abilities as directors, and assisting directors in ensuring that their knowledge and understanding of the Corporation and its business remains current.

While the Corporation does not currently have a formal orientation program for new Directors and the Board has not at this time taken any measures to provide continuing education for the Directors, the Directors are invited to follow, at the expense of the Corporation, the various seminars offered by the TSX and the Canadian securities authorities on the management of public corporations and on the duties of Directors of such corporations. The Directors also have access to the legal counsel of the Corporation for any questions concerning their duties as Directors.

## **Ethical Business Conduct**

The Board has adopted a Code of Ethics and Business Conduct (the “Code”) that is applicable to each Director, officer, employee and representative of the Corporation and its subsidiaries. The Code provides a set of ethical standards for conducting the business and affairs of the Corporation with honesty, integrity and in accordance with high ethical and legal standards. The Code is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

As part of the Code, a member of the Board who has a material interest in a matter before the Board or any committee on which they serve is required to disclose their material interest to the Board as soon as the member of the Board becomes aware of it. Any such member of the Board may then be required to absent themselves from any meetings, deliberations, discussions, and/or voting with respect to the matter.

The CCG&N Committee is responsible for reviewing and evaluating the Code from time to time and recommending to the Board any necessary or appropriate changes. The CCG&N Committee also assists the Board with monitoring compliance with the Code. Each person to which the Code applies is required to certify their acknowledgement and acceptance of it upon, and periodically during, their employment or engagement with the Corporation.

Only the Board may waive application of or amend any provision of the Code. No such waiver has been granted since the adoption of the Code and the Corporation has not filed any material change reports pertaining to conduct that constitutes a departure from the Code.

The Board has also adopted a whistleblowing policy to provide a confidential complaint procedure so that employees can anonymously report concerns regarding compliance with the Code and applicable laws, including in respect of accounting or auditing matters. The policy provides procedures designed to ensure that employee complaints are treated as confidential. The Audit Committee is responsible for administering the policy, and the assessment, investigation, and evaluation of complaints are conducted by or at the direction of the Corporation’s compliance officer. The compliance officer is the Corporation’s General Counsel. Following the assessment, investigation, and evaluation of complaints under the policy, the compliance officer reports to the Audit Committee for further action if appropriate.

## **Nomination and Election of Directors**

All board nominees are nominated by the CCG&N Committee, who make such nominations after considering the mix of skills and experience it believes are necessary to further the Corporation’s goals. Directors elected at an annual meeting are elected for a term expiring at the close of the subsequent annual meeting. Directors are eligible for re-election at subsequent annual meetings. Any Directors appointed by the Board between meetings of shareholders in accordance with the CBCA and the Corporation’s By-Laws, including to replace a Director who departs from the Board during their term, are appointed for a term expiring at the close of the next annual meeting and are then eligible for election and re-election.

The CCG&N Committee is responsible for periodically reviewing the size of the Board, with a view to determining the impact of the number of directors on the effectiveness of the Board, and identifying potential nominees to the Board, reviewing their qualifications and experience, determining their independence as required under all applicable corporate and securities laws, and recommending to the Board the nominees for consideration by, and presentation to, the shareholders for election at the Corporation’s next shareholders’ meeting. In making its recommendations, the CCG&N Committee considers the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing Director to possess, as well as the competencies and skills each new nominee will bring to the boardroom. The CCG&N Committee also considers the amount of time and resources that nominees have available to fulfill their duties as Board and committee members.

The following chart highlights certain skills, experience and characteristics possessed by the nominees for election to the Board at the Meeting that the Corporation views as relevant to the proper functioning of the Board. This is not intended to be an exhaustive list of each Director’s skills.

	Executive Leadership and Management Experience	Pharmaceutical Sector Background or Experience	Pharmaceutical Sales, Marketing, and Commercial Experience	Corporate Strategy and Strategic Planning	Finance, Accounting, and Audit Experience	Capital Markets and Corporate Finance	Corporate Governance	Business Leadership
Ken d’Entremont	X	X	X	X	X	X	X	X
Benoit Gravel	X	X	X	X	X		X	X
Adele Gulfo	X	X	X	X	X		X	X
Michael Mueller	X			X	X	X	X	X
Stephen Nelson	X			X	X	X	X	X
Peter van der Velden	X	X		X	X	X	X	X

### Term Limits

The Corporation does not impose term limits on its Directors as it takes the view that term limits are an arbitrary mechanism for removing Directors that can result in valuable experienced Directors being forced to leave the Board solely because of length of service. Instead, the Corporation believes that Directors should be assessed regularly based on their ability to continue to make a meaningful contribution. The Board periodically evaluates its structure and composition to ensure that the membership and chairships of the Board and each committee are appropriate to the Corporation and its business needs as they evolve over time.

### Succession Planning

The Board is responsible for providing guidance and oversight on succession management processes for the Chief Executive Officer and other key executives. Management work with the Board to assess and enhance talent within the Corporation with the goal of investing time and resources in the managerial capabilities of the Corporation’s existing and future leaders.

### Diversity

The Board believes that diversity is important to ensure that Board members provide the necessary range of perspectives, experience, and expertise required to achieve effective stewardship of the Corporation. The Board is committed to cultivating a diverse and inclusive culture and nominating the best individuals to fulfill Director roles based on merit and suitability, the assessment of which the Board strongly believes includes diversity considerations. The CCG&N Committee regularly reviews the structure and composition of the Board, including in respect of diversity considerations, and may set diversity aspirations (including in respect of gender diversity) regarding the Board’s optimal composition as part of the identification and nomination of Directors.

The Corporation has a written diversity policy (the “**Diversity Policy**”), which includes provisions relating to diversity and the identification and nomination of directors. For purposes of the Diversity Policy, diversity includes, but is not

limited to: gender identity, age, language, race, nationality, culture, ethnic distinctions, including Aboriginal peoples and members of visible minorities (each as defined in the *Employment Equity Act* (Canada), disability status, sexual orientation, education, regional and industry experience, and expertise. The Diversity Policy provides that the CCG&N Committee, in fulfilling its role in recommending candidates for Director nominations, should consider candidates based on merit and against objective criteria with due regard to the benefits of diversity. In particular, the Corporation recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role played by qualified women in contributing to diversity of perspective on the Board. In this regard, in order to promote the specific objective of gender diversity on the Board, the selection process for Board appointees and nominees for election (including where the Corporation engages an external recruitment agency to identify and assess candidates) ensures that appropriate efforts are made to include women in the list of candidates being considered for a Board position. If, at the end of the selection process, no women are selected from the list of candidates, the Board must be satisfied that there are objective reasons to support this determination.

In addition to the Diversity Policy's objectives with respect to Board composition, the Diversity Policy informs the Board's diversity objectives with respect to the Corporation's executive management team. The Diversity Policy informs both the appointment of members of the executive management team and succession planning. As noted above, the Board recognizes that gender diversity is a significant aspect of diversity and acknowledges the important contributions that qualified women can make to the diversity of perspective in executive management roles. Accordingly, in order to promote the specific objective of gender diversity, the Corporation makes appropriate efforts to proactively identify high-potential women for leadership roles and encourage them to apply for more senior positions within the Corporation, and, where applicable (including where the Corporation engages an external recruitment agency to identify and assess candidates), include women in the list of candidates being considered to fill any vacancies or new roles in the Corporation's senior management team.

The Board currently includes one woman (i.e., 17%), no "members of visible minorities" (0%), no "persons with disabilities" (0%), and no "Aboriginal peoples" (0%) (each as defined in the *Employment Equity Act* (Canada), the "**Designated Groups**"). Of the individuals nominated for election at the Meeting, one (17%) is a woman and none are members of the other Designated Groups.

The Corporation's executive management team currently includes no women (0%), and there is one woman in a senior management position. The Corporation has not requested that individuals provide self-identification information by which the Corporation can identify whether such individuals constitute members of a Designated Group and does not have data available to report corresponding levels of representation in its executive management team and senior management positions across those Designated Groups.

The Diversity Policy does not specify, and the Corporation has not adopted, a numerical target for women Directors on the Board nor for women executive officers in making executive officer appointments. This is because the Board believes that arbitrary targets are not in the best interests of the Corporation, and believes that the Corporation's Director nomination and officer appointment processes are appropriately focused on diversity considerations. In practice, the Board does seriously consider gender and other forms of diversity and believes that these current processes will result in appropriate levels of diversity over time. The Diversity Policy does provide that the CCG&N Committee will assess the effectiveness of the Board nomination and officer appointment processes at achieving the Corporation's diversity objectives on an annual basis.

## **Compensation**

All matters with respect to the compensation of Directors and executive officers are determined by and under the supervision of the CCG&N Committee. The compensation program is described under the headings "Executive Compensation" and "Director Compensation".

## **Assessments**

The CCG&N Committee, in consultation with the Chair of the Board, is responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Board, the Board's committees, and individual Directors, with a view to ensuring that they are fulfilling their responsibilities and duties and working effectively together as a team.

The scope, focus, and requirements of the evaluation and review vary in response to the then-current needs of the Board and the Corporation. The evaluation process for a given year may involve all or any of a careful examination of individual directors, committees, and the Board, and of the Board's role, structure, objectives, effectiveness, and relationship with management. The results of these evaluations are summarized to identify strengths, opportunities, and suggestions with respect to each area of discussion. The CCG&N Committee reports on these evaluations to the Board. The CCG&N Committee also informally monitors Director performance throughout the year (noting particularly any Directors who have had a change in their primary job responsibilities or who have assumed additional directorships since their last assessment) to ensure that the Board, the Board's committees, and individual Directors are performing effectively.

### **Environmental, Social, and Governance Matters**

In June 2021, Medexus adopted an environmental social governance policy ("**ESG Policy**") to complement the Diversity Policy discussed above. The Corporation and the Board are developing appropriate approaches to monitoring social and environmental matters relating to the company and its business, including under Medexus's ESG Policy and Diversity Policy.

The ESG Policy establishes six "pillars" intended to guide the Corporation in meeting its objective of good corporate citizenship. The Corporation expects to evaluate opportunities to improve the environmental impact of the company's business, likely related to the company's reliance on the international logistics sector, and to leverage the company's involvement in the healthcare sector and patient communities, potentially including access-to-treatment initiatives.

As discussed above, the Diversity Policy provides a framework and process for incorporating diversity considerations into decisions with respect to the Board and senior management, including as part of the mandate of the CCG&N Committee under its charter. The Corporation expects to increase its focus on Board and management diversity as well as diversity across the company's employee base, likely leveraging the Corporation's U.S. employee engagement initiatives and diversity reporting initiatives.

As it continues to evolve, the Corporation expects to increase its focus on these matters and develop more detailed targets and metrics.

### **Shareholder Engagement**

Management welcomes frequent dialogue with shareholders and other investors and stakeholders. Management is committed to ensuring that any items of significant concern raised by shareholders or others are brought to the attention of the Board. In addition, management regularly engages with the investment community through: annual and quarterly reports, news releases, its corporate website at <https://www.medexus.com>, disclosure and regulatory documents filed on SEDAR at [www.sedar.com](http://www.sedar.com), quarterly conference calls to review financial and operating results open to all investors, the investment community, analysts and media, and attendance at investor-focused conferences. Members of management are also available to meet or set up calls as requested by shareholders, potential shareholders, and others.

### **Risk Oversight**

The Board is responsible for identifying the principal risks of the Corporation's business and ensuring that these risks are appropriately managed. The Board periodically discusses with management guidelines and policies with respect to risk assessment, risk management, and major strategic, financial, and operational risk exposures, and the steps management takes to monitor and control any exposure resulting from these risks. The Board relies on the Chief Executive Officer and Chief Financial Officer to supervise day-to-day risk management, and members of management report quarterly to the Audit Committee and the Board on risk management matters. A discussion of the primary risks facing the Corporation's business is available in the Corporation's most recent annual information form which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## OTHER AGENDA ITEMS

The Corporation and its management are aware of no change regarding the items listed in the Notice of Meeting nor of any item not mentioned in the Notice of Meeting that is expected to be submitted to the Meeting. However, if changes concerning the items on the agenda mentioned in the Notice of Meeting, or other items, are submitted to the Meeting in valid form, the attached proxy form confers discretionary power upon the persons named in the proxy to vote, using their best judgment, on the related changes or on other items.

## SHAREHOLDER PROPOSALS

Based on the current provisions of the CBCA, persons entitled to vote at the next annual meeting of shareholders and who wish to submit a proposal at that meeting must submit proposals by the date that is at least 90 days before the anniversary date of the Notice of Meeting. Assuming the CBCA Amendments come into force, shareholders who wish to submit a proposal at that meeting will need to submit proposals within the 60-day period that begins on April 18, 2023.

## ADDITIONAL INFORMATION

Additional financial information is provided in the financial statements of the Corporation and the annual management report for the financial year ended March 31, 2022 available on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional copies are also available by contacting the Corporation at:

35 Nixon Road, Suite 1  
Bolton, Ontario, L7E 1K1  
Telephone: 1-437-836-1070  
Email: [Corporate.Notices@Medexus.com](mailto:Corporate.Notices@Medexus.com)

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

## APPROVAL OF INFORMATION CIRCULAR

The contents and the sending of the Information Circular have been approved by the Directors of the Corporation.

Toronto, August 5, 2022.

**By order of the Board of Directors of  
Medexus Pharmaceuticals Inc.,**

(signed) *Peter van der Velden*

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Peter van der Velden  
Chair

## APPENDIX A

### MEDEXUS PHARMACEUTICALS INC.

#### BOARD OF DIRECTORS MANDATE

**Effective Date: June 9, 2021**

#### **1. Purpose**

The members of the Board of Directors (the “**Board**”) are responsible for supervising the management of the business and affairs of Medexus Pharmaceuticals Inc. (the “**Corporation**”). The Board, directly and through its committees and the chair of the Board (the “**Chair**”), shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the Corporation.

#### **2. Membership**

##### *Number of Members*

Subject to compliance with applicable law, the Corporation’s constituting documents, and any agreements or other arrangements concerning the size of the Board, the Board shall be comprised of such number of members as determined by the Board from time to time.

##### *Independence of Members*

A majority of the members of the Board shall be independent within the meaning of the provisions of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and the listing standards of any exchange upon which the Corporation’s shares are listed for trading, as may be amended from time to time.

##### *Residency of Members*

At least 25% of the members of the Board must be resident Canadians.

##### *Term of Members*

At each annual meeting of the Corporation’s shareholders, the Board must permit shareholders to vote on the election of all members of the Board. Each member of the Board shall serve until the member resigns, ceases to be qualified for service as a member of the Board or is removed in compliance with applicable law.

##### *Chair of the Board*

Subject to compliance with any agreements or other arrangements concerning such matter, the members of the Board shall designate a Chair by majority vote of the full Board membership. The Chair must be a member of the Board, following consideration of the recommendation of the Compensation, Corporate Governance and Nominating Committee.

The Chair shall be an independent member of the Board, unless the Board determines that it is in the best interests of the Corporation to not require the Chair to be independent, in which case the independent directors shall select from among their number, following consideration of the recommendation of the Compensation, Corporate Governance and Nominating Committee, a further director who will act as “Lead Director”.

In the absence of the Chair, the Lead Director shall chair any meeting of the Board and in the absence of both the Chair and the Lead Director, the members of the Board present may appoint a chair from their number for such meeting.

### ***General***

Each director must have an understanding of the Corporation's principal operational and financial objectives, plans and strategies, and financial position and performance. Each director is expected to attend all meetings of the Board and any Board committee of which they are a member. Directors are expected to have read and considered, in advance of each meeting, the materials sent to them and to actively participate in the meetings.

Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Compensation, Corporate Governance and Nominating Committee.

Directors may serve on the boards of other public issuers so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair in advance of accepting an invitation to serve on the board of another public issuer.

### **3. Meetings**

#### ***Frequency of Meetings***

The Board shall meet as often as the Board considers appropriate to fulfill its responsibilities, but in any event at least once per fiscal quarter.

#### ***Quorum***

No business may be transacted by the Board at a meeting unless a quorum of the Board is present, as specified in the Corporation's By-Laws.

#### ***Secretary and Minutes***

The Corporate Secretary (to the extent one has been appointed), their designate, or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained in sufficient detail to convey the substance of all discussions held and shall be, on a timely basis, subsequently presented to the Board for approval.

#### ***Attendance of Non-Members***

The Board may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

#### ***Meetings of Independent Directors***

As part of each meeting of the Board, the independent directors shall hold an *in-camera* session, at which management and non-independent directors are not present, and the agenda for each Board meeting will afford an opportunity for such a session. The independent directors may also, at their discretion, hold *ad hoc* meetings that are not attended by management and non-independent directors.

#### ***Access to Management and Books and Records***

The Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to the Corporation's management and employees and the books and records of the Corporation.

#### **4. Responsibilities**

The Board shall have the specific functions and responsibilities outlined below and may, subject to compliance with applicable law, delegate such functions and responsibilities to a committee of the Board. In addition to these responsibilities, the Board shall perform the functions and responsibilities required of a Board by the Corporation's governing corporate statute, applicable securities laws, any exchange upon which securities of the Corporation are listed, or any governmental or regulatory body exercising authority over the Corporation, as are in effect from time to time or as the Board otherwise deems necessary or appropriate.

##### ***Strategic Planning***

###### **(a) Strategic Plans**

The Board will adopt a strategic plan for the Corporation. The Board shall periodically review and, if advisable, approve the Corporation's strategic planning process and, at least annually, review and, if advisable, approve the Corporation's strategic planning process and short- and long-term strategic and business plans prepared by management. In discharging this responsibility, the Board shall review the plans in light of management's assessment of emerging trends, the competitive environment, the capital markets, the significant business practices and products, the opportunities and risks for the businesses of the Corporation, and industry practices.

###### **(b) Business and Capital Plans**

The Board shall periodically review and, if advisable, approve the policies and processes generated by management relating to the authorization of major investments and significant allocations of capital and, at least annually, review and, if advisable, approve the Corporation's annual business and capital plans.

###### **(c) Monitoring**

The Board shall periodically review management's implementation of the Corporation's strategic, business and capital plans and review and, if advisable, approve any material amendments to, or variances from, such plans.

##### ***Risk Management***

###### **(a) General**

The Board shall periodically review reports provided by management and committees of the Board on the principal risks associated with the Corporation's business and operations and the systems implemented to identify, assess, manage and mitigate these risks, as appropriate.

###### **(b) Verification of Controls**

The Board shall verify that appropriate internal, financial, non-financial and business control and management information systems have been established, and are being maintained, by management.

###### **(c) ESG**

The Board shall provide oversight of material environmental, social and governance issues ensuring that the Corporation is mitigating associated risks and capitalizing on related opportunities.

##### ***Financial-Related Matters***

###### **(a) Approval of Annual Financial Reports**

The Board shall review the annual audited financial statements of the Corporation, the auditors' report thereon and the related management's discussion and analysis of the Corporation's financial condition and financial performance

(MD&A), as well as the Audit Committee's recommendations in respect of the approval of those materials. After completing its review, if advisable, the Board shall approve the annual financial statements and the related MD&A.

(b) **Approval of Interim Financial Reports**

The Board shall review the interim financial statements of the Corporation, the auditors' review report thereon, if any, and the related MD&A, as well as the Audit Committee's recommendations in respect of the approval of those materials. After completing its review, if advisable, the Board shall approve the interim financial statements and the related MD&A.

(c) **Nomination**

The Board shall review the recommendations of the Audit Committee concerning the external auditors to be nominated and, if advisable, approve such nomination.

(d) **Policies for Pre-Approval of Non-Audit Services**

The Board shall review the recommendations of the Audit Committee concerning the policies and procedures for the retainer of the Corporation's external auditors to perform any non-audit service for the Corporation or its subsidiary entities and, if advisable, approve, with or without modifications, such policies and procedures.

***Human Resource Matters***

(a) **General**

The Board shall periodically review reports, to the extent prepared, of the Compensation, Corporate Governance and Nominating Committee concerning human resource matters.

(b) **Chief Executive Officer**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the organizational goals and objectives relevant to Chief Executive Officer compensation and, if advisable, approve, with or without modifications, such goals and objectives.

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning (i) the appointment and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a change in control) for the Chief Executive Officer, including the adoption, amendment and termination of such agreements, arrangements or plans and, if advisable, approve, with or without modifications, such appointment and other terms of employment and (ii) the Chief Executive Officer's compensation level and, if advisable, approve, with or without modifications, such compensation.

(c) **Senior Management**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the appointment of the Chief Financial Officer, all senior management reporting directly to the Chief Executive Officer and all other officers appointed by the Board (collectively "**Senior Management**") and, if advisable, after consideration of the objectives of any Diversity Policy of the Corporation, if applicable, approve any such appointment.

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee respecting the compensation and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a change in control) of members of Senior Management and, if advisable, approve, with or without modifications, such compensation and other terms of any employment agreements and any severance arrangements or plans.

(d) **Succession Review**

The Board shall review the succession plans of the Corporation for the Chair and, if applicable, the Lead Director. The Board shall also periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee with respect to succession planning matters concerning Senior Management and the Chief Executive Officer, as well as general executive development programs, and, after consideration of the objectives of the Diversity Policy of the Corporation, develop the succession plans of the Corporation.

(e) **Integrity of Senior Management**

The Board shall, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other members of Senior Management and that the Chief Executive Officer and other members of Senior Management strive to create a culture of integrity throughout the Corporation.

(f) **Director Remuneration**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the remuneration (fees and/or retainer) to be paid to, and the benefits to be provided, to members of the Board and, if advisable, approve, with or without modifications, such remuneration.

(g) **Equity-Based Compensation Plans**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the adoption of equity-based compensation plans of the Corporation and, if advisable, approve, with or without modifications, the adoption of such plans.

***Nomination Matters***

(a) **General**

The Board shall periodically review reports of the Compensation, Corporate Governance and Nominating Committee concerning nomination matters.

(b) **Nominee Identification**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the potential nominees for election or appointment to the Board and, after considering (i) the results of the Board and director effectiveness evaluation process, (ii) the competencies, skills and other qualities that the Compensation, Corporate Governance and Nominating Committee considers to be necessary for the Board as a whole to possess, the competencies, skills and other qualities that the Compensation, Corporate Governance and Nominating Committee considers each existing director to possess, and the competencies, skills and other qualities each new nominee would bring to the boardroom, (iii) the amount of time and resources that nominees have available to fulfill their duties as Board members, (iv) the objectives of the Diversity Policy of the Corporation, and (v) any applicable independence, residency and/or other requirements, approve, if advisable, with or without modifications, the individual nominees for consideration by, and presentation to, the shareholders at the Corporation's next annual meeting of shareholders or appointment to the Board between such meetings.

(c) **Committees of the Board**

The Board shall annually evaluate the performance, and review the work, of its committees. The Board shall annually, or as otherwise required or deemed advisable, review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the individual directors to serve on (or to depart from) the standing committees of the Board and, after considering (i) the qualifications for membership on each committee, (ii) the extent to which there should be a policy of periodic rotation of directors among the committees, and (iii) the

number of boards and other committees on which the directors serve, approve the appointment of such directors to (or departure from) the committees as the Board deems advisable.

(d) **Director Independence**

The Board shall periodically review the Board's and the Board committees' ability to act independently from management in fulfilling their responsibilities and in doing so the Board shall (i) to the extent applicable, review the application and evaluation by the Compensation, Corporate Governance and Nominating Committee of the director independence standards applicable to members of the Board and (ii) review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning a reduction or increase in the number of independent directors and, if advisable, approve, such reduction or increase.

(e) **Board and Committee Size**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning a reduction or increase to the size of the Board or any Board committee and if advisable, approve, such a reduction or increase.

(f) **Board Renewal**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning mechanisms of Board renewal (e.g., a retirement age or term limits for directors), and if advisable, approve, with or without modifications, the adoption of any such mechanisms.

(g) **Majority Voting**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning resignations of directors pursuant to the Corporation's Majority Voting Policy in respect of the election of directors and if advisable, accept or reject any such resignation, in accordance with the terms of the Corporation's Majority Voting Policy.

***Corporate Governance Matters***

(a) **General**

The Board shall periodically review reports of the Compensation, Corporate Governance and Nominating Committee concerning corporate governance matters.

(b) **Governance Policies**

The Board has adopted a Disclosure Policy, Insider Trading Policy, Diversity Policy, Environmental, Social Governance Policy, Majority Voting Policy and Whistleblowing Policy. The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to such policies or the adoption of such further governance policies and if advisable, approve, with or without modifications, the adoption of any such changes or new governance policies.

(c) **Code of Conduct**

The Board has adopted a written Code of Conduct (the "**Code**") applicable to directors, officers and employees of the Corporation among others. The Board shall periodically review the reports of the Compensation, Corporate Governance and Nominating Committee relating to compliance with, material departures from, and investigations and any resolutions of complaints received under, the Code.

The Board shall also review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to the Code and if advisable, approve, with or without modifications, the adoption of any such changes.

(d) **Board of Directors Mandate Review**

The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to this Mandate and if advisable, approve, with or without modifications, the adoption of any such changes.

(e) **Committees of the Board**

The Board has established an Audit Committee, a Compensation, Corporate Governance and Nominating Committee, and a Business Strategy Committee. Subject to applicable law, the Board may establish other Board committees or merge or dissolve any Board committee at any time. The Board has approved charters for each Board committee and shall approve charters for any new Board committee. The Board has delegated to the applicable committee those responsibilities set out in each Board committee's charter.

The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to each Board committee's charter and if advisable, approve, with or without modifications, the adoption of any such changes.

The Board shall annually, or as otherwise required or deemed advisable, review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the individual directors to serve on the standing committees of the Board and, after considering (i) the qualifications for membership on each committee, (ii) the extent to which there should be a policy of periodic rotation of directors among the committees, and (iii) the number of boards and other committees on which the directors serve, approve the appointment of such directors to the committees as the Board deems advisable.

(f) **Director Development and Evaluation**

Each new director shall participate in the Corporation's initial orientation program and each director shall participate in the Corporation's continuing director education programs. The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning proposed changes to the Corporation's initial orientation program and continuing director education programs and if advisable, approve, with or without modifications, the adoption of any such changes.

***Communications***

(a) **General**

The Board has adopted a Disclosure Policy for the Corporation. If consensus cannot be reached at a meeting of the disclosure committee created pursuant to the Disclosure Policy, the Board shall consider the matter.

(b) **Shareholders**

The Corporation endeavors to keep its shareholders informed of its progress through an annual report, annual information form, quarterly interim reports and periodic press releases.

**5. Outside Advisors**

The Board shall have the authority to retain and terminate, from a source independent of management, external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the

Corporation. The Corporation shall provide appropriate funding, as determined by the Board, for the services of these advisors.

**6. No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's constating documents, it is not intended to establish any legally binding obligations.

\* \* \* \* \*

As adopted by the Board of Directors on June 9, 2021.

**APPENDIX B**

**See attached.**

**MEDEXUS PHARMACEUTICALS INC.  
LONG TERM INCENTIVE PLAN**

September 15, 2022

## PART I – GENERAL PROVISIONS

### 1. PREAMBLE AND DEFINITIONS

#### 1.1 Title.

The Plan described in this document shall be called the “Medexus Long Term Incentive Plan”.

#### 1.2 Successor Plan.

The Plan described in this document serves as the successor to the Corporation’s 2018 omnibus equity incentive compensation plan which plan was initially approved by shareholders of the Corporation on December 12, 2018 (the “**Predecessor Plan**”), and no further awards shall be granted under the Predecessor Plan from and after the effective date hereof (the “**Effective Date**”).

#### 1.3 Purpose of the Plan.

The purposes of the Plan are:

- (a) to promote a further alignment of interests between officers, employees and other eligible service providers and the shareholders of the Corporation;
- (b) to associate a portion of the compensation payable to officers, employees and other eligible service providers with the returns achieved by shareholders of the Corporation; and
- (c) to attract and retain officers, employees and other eligible service providers with the knowledge, experience and expertise required by the Corporation.

#### 1.4 Definitions.

1.4.1 “**Applicable Law**” means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder, and Stock Exchange Rules.

1.4.2 “**Beneficiary**” means, subject to Applicable Law, an individual who has been designated by a Participant, in such form and manner as the Board may determine, to receive benefits payable under the Plan upon the death of the Participant, or, where no such designation is validly in effect at the time of death, the Participant’s legal representative.

1.4.3 “**Blackout Period**” means a period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain Persons as designated by the Corporation, including any holder of a Grant.

1.4.4 “**Board**” means the Board of Directors of the Corporation.

- 1.4.5 “**Business Day**” means a day other than a Saturday, Sunday or other than a day when banks in Toronto, Ontario are not generally open for business.
- 1.4.6 “**Cause**” means:
- (a) subject to (b) or (c), as applicable, below, “just cause” or “cause” for Termination by the Corporation or a Subsidiary of the Corporation as determined under Applicable Law (if applicable);
  - (b) where a Participant has a written employment agreement with the Corporation or a Subsidiary of the Corporation, “**Cause**” or the equivalent term as defined in such employment agreement, if applicable; or
  - (c) where a Participant provides services as an independent contractor pursuant to a contract for services with the Corporation or a Subsidiary of the Corporation, any material breach of such contract by the Participant.
- 1.4.7 “**Change in Control**” means:
- (a) the acquisition by any “offeror” (as defined in National Instrument 62-104 *Take-Over Bids and Issuer Bids*, as amended, or any successor thereto), by means of a take-over bid or otherwise, of beneficial ownership of Shares to which are attached more than fifty percent (50%) of the votes attaching to all securities of the Corporation which may be cast to elect directors of the Corporation;
  - (b) any consolidation, reorganization, merger, amalgamation or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two or more entities, or pursuant to which Shares would be converted into cash, securities or other property, other than such a transaction as a result of which shareholders immediately prior to the transaction have the same proportionate ownership of equity and/or votes attaching to stock of the surviving corporation immediately after the transaction;
  - (c) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation;
  - (d) the approval by the shareholders of any plan of liquidation or dissolution of the Corporation; or
  - (e) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board, unless such election or appointment is approved by fifty percent (50%) or more of the Board in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made

other than as a result of a dissident public proxy solicitation, whether actual or threatened.

1.4.8 “**Clawback Policy**” means the Clawback Policy of the Corporation, as amended from time to time by the Board.

1.4.9 “**Code**” means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding regulatory guidance thereunder.

1.4.10 “**Control**” means:

(a) when applied to the relationship between a Person and another Person, the beneficial ownership by that first Person, directly or indirectly, of voting securities or other interests in such second Person entitling the holder to exercise control and direction in fact over the activities of such second Person, including by way of electing a majority of the members of the board of the second Person; and

(b) notwithstanding the foregoing, when applied to the relationship between a Person and a partnership, limited partnership or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership or joint venture; and

the words “**Controlled by**”, “**Controlling**” and similar words have corresponding meanings; provided that a Person who Controls a second Person will be deemed to Control a third Person which is Controlled by such second Person and so on.

1.4.11 “**Corporation**” means Medexus Pharmaceuticals Inc., and includes any successor corporation thereof.

1.4.12 “**Director**” means a director of the Corporation from time to time.

1.4.13 “**Disability**” means:

(a) subject to (b) below, a Participant’s physical or mental incapacity that prevents them from substantially fulfilling their duties and responsibilities on behalf of the Corporation or, if applicable, a Subsidiary of the Corporation as determined by the Board and, in the case of a Participant who is an employee of the Corporation or a Subsidiary of the Corporation, in respect of which the Participant commences receiving, or is eligible to receive, disability benefits under the Corporation’s or Subsidiary’s long-term disability plan; or

(b) where a Participant has a written employment agreement with the Corporation or a Subsidiary of the Corporation, “**Disability**” or the equivalent term as defined in such employment agreement, if applicable.

- 1.4.14 “**Disability Date**” means the date of a Participant’s Termination as a result of a Disability.
- 1.4.15 “**Effective Date**” has the meaning set out in Section 1.2.
- 1.4.16 “**Eligible Person**” means a Director or an individual Employed by the Corporation or any Subsidiary of the Corporation, including a Service Provider, who, by the nature of their position or job is, in the opinion of the Board, in a position to contribute to the success of the Corporation.
- 1.4.17 “**Employed**” means, with respect to a Participant, that:
- (a) the Participant is rendering services to the Corporation or a Subsidiary of the Corporation (excluding services exclusively as a Director), including as a Service Provider (referred to in Section 1.4.44 as “active Employment”); or
  - (b) the Participant is not actively rendering services to the Corporation or a Subsidiary of the Corporation due to a vacation, temporary illness, maternity or parental leave or leave on account of Disability or any other authorized leave of absence (provided, in the case of a U.S. Taxpayer, that the Participant has not incurred a “Separation From Service”, within the meaning of Section 409A of the Code).
- and “**Employment**” has the corresponding meaning.
- 1.4.18 “**Executive Officer**” means, for the Corporation, an individual who is:
- (a) a chair, vice-chair or president;
  - (b) a chief executive officer, chief financial officer, chief legal officer (general counsel), chief operating officer, chief strategy officer, or similar;
  - (c) an employee, including a general manager, in charge of a principal business unit, division or function (such as human resources, customer success and marketing) of the Corporation as a whole; or
  - (d) performing a policy-making function in respect of the Corporation as a whole.
- 1.4.19 “**Exercise Price**” means the price payable by a Participant to purchase one Share on exercise of an Option, which shall not be less than one hundred percent (100%) of the Market Price on the Grant Date of the Option covering such Share, in each case subject to adjustment pursuant to Section 5.
- 1.4.20 “**Grant**” means a grant or right granted under the Plan consisting of one or more Options, RSUs or PSUs or such other award as may be permitted hereunder.
- 1.4.21 “**Grant Agreement**” means an agreement between the Corporation and a Participant evidencing a Grant and setting out the terms under which

such Grant is made, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan.

- 1.4.22 **“Grant Date”** means the effective date of a Grant.
- 1.4.23 **“Insider”** means an insider of the Corporation as defined in the rules of the Toronto Stock Exchange Company Manual for the purpose of security based compensation arrangements.
- 1.4.24 **“In-the-Money Amount”** means the excess, if any, of the Market Price of a Share at such time over the Exercise Price.
- 1.4.25 **“Market Price”** means, with respect to any particular date:
- (a) if the Shares are listed on only one Stock Exchange, the volume weighted average trading price per Share on such Stock Exchange during the immediately preceding five (5) Trading Days;
  - (b) if the Shares are listed on more than one Stock Exchange, the Market Price as determined in accordance with paragraph (a) above for the primary Stock Exchange on which the greatest volume of trading of the Shares occurred during the immediately preceding five (5) Trading Days; or
  - (c) if the Shares are not listed for trading on a Stock Exchange, a price which is determined by the Board in good faith to be the fair market value of the Shares.
- 1.4.26 **“Non-Employee Director”** means a Director who is not Employed by the Corporation, and including any non-executive Chair of the Board.
- 1.4.27 **“Option”** means an option to purchase a Share granted by the Board to an Eligible Person in accordance with Section 3 and Section 9.1.
- 1.4.28 **“Participant”** means an Eligible Person to whom a Grant is made and which Grant or a portion thereof remains outstanding.
- 1.4.29 **“Performance Conditions”** means such financial, personal, operational or transaction-based performance criteria as may be determined by the Board in respect of a Grant to any Participant or Participants and set out in a Grant Agreement. Without limitation, Performance Conditions may apply to the Corporation, a Subsidiary of the Corporation, the Corporation and its Subsidiaries as a whole, a business unit or division of the Corporation or group comprised of the Corporation and some Subsidiaries of the Corporation or a group of Subsidiaries of the Corporation, either individually, alternatively or in any combination, and measured either in total, incrementally or cumulatively over a specified performance period, on an absolute basis or relative to a pre-established target or milestone, to previous years’ results or to a designated comparator group, or otherwise, and may incorporate multipliers or adjustments based on the level of achievement of any such performance criteria.

- 1.4.30 **“Performance Period”** means, with respect to PSUs, a period specified by the Board for achievement of any applicable Performance Conditions as a condition to Vesting.
- 1.4.31 **“Performance Share Unit”** or **“PSU”** means a right granted to an Eligible Person in accordance with Section 3.1(c) and 3.1(d) and Section 12.1 to receive a Share or the Market Price, as determined by the Board, that generally becomes Vested, if at all, subject to the attainment of certain Performance Conditions and satisfaction of such other conditions to Vesting, if any, as may be determined by the Board.
- 1.4.32 **“Person”** means an individual, corporation, company, cooperative, sole proprietorship, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, trust, trustee, executor, administrator, legal personal representative, estate, unincorporated association, organization or syndicate, entity with juridical personality or governmental authority or body, or other entity, whether or not having legal status, however designated or constituted, and pronouns which refer to a Person shall have a similarly extended meaning.
- 1.4.33 **“Plan”** means this Medexus Long Term Incentive Plan, including any schedules or appendices hereto, as may be amended from time to time.
- 1.4.34 **“Predecessor Plan”** has the meaning set out in Section 1.2.
- 1.4.35 **“Predecessor Plan Grants”** has the meaning set out in Section 4.8.
- 1.4.36 **“Restricted Share Unit”** or **“RSU”** means a right granted to an Eligible Person in accordance with Section 3.1(c) and 3.1(d) and Section 12.1 to receive a Share or the Market Price, as determined by the Board, that generally becomes Vested, if at all, following a period of continuous Employment of the Participant.
- 1.4.37 **“Security Based Compensation Arrangement”** means an option, option plan, security based appreciation right, employee unit purchase plan, restricted, performance or deferred unit plan, long-term incentive plan or any other compensation or incentive mechanism, including the Predecessor Plan, in each case, involving the issuance or potential issuance of Shares to one or more directors or officers of the Corporation or a Subsidiary of the Corporation, current or past full-time or part-time employees of the Corporation or a Subsidiary of the Corporation, Insiders, or consultants of the Corporation or any Subsidiary of the Corporation, including a Share purchased from treasury by one or more directors or officers of the Corporation or any Subsidiary of the Corporation, current or past full-time or part-time employees of the Corporation or a Subsidiary of the Corporation, Insiders, or consultants of the Corporation or a Subsidiary of the Corporation which is financially assisted by the Corporation or a Subsidiary of the Corporation by way of a loan, guarantee or otherwise, but a Security Based Compensation Arrangement does not include an arrangement that does not involve the

issuance from treasury or potential issuance from treasury of Shares or other equity securities of the Corporation.

1.4.38 "**Service Provider**" means a Person, other than an employee, officer or director of the Corporation or a Subsidiary of the Corporation, that:

- (a) is engaged to provide, on a *bona fide* basis, for an initial, renewable or extended period of twelve (12) months or more, services to the Corporation or a Subsidiary of the Corporation, other than services provided in relation to a distribution of securities;
- (b) provides the services under a written contract between the Corporation or a Subsidiary of the Corporation and the Person; and
- (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a Subsidiary of the Corporation;

and may include:

- (d) for an individual Service Provider, a corporation of which the individual Service Provider is an employee or shareholder, and a partnership of which the individual Service Provider is an employee or partner; and
- (e) for a Service Provider that is not an individual, an employee, executive officer, or director of the Service Provider, provided that the individual employee, executive officer, or director spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a Subsidiary of the Corporation.

1.4.39 "**Share**" means a Common Share of the Corporation or, in the event of an adjustment contemplated by Section 5.1, such other security to which a Participant may be entitled upon the exercise or settlement of a Grant as a result of such adjustment.

1.4.40 "**Share Unit**" means either an RSU or a PSU, as the context requires.

1.4.41 "**Stock Exchange**" means the Toronto Stock Exchange and/or such other principal stock exchange on which the Shares are listed, or if the Shares are not listed on any stock exchange, then on the over-the-counter market.

1.4.42 "**Stock Exchange Rules**" means the applicable rules of any Stock Exchange upon which Shares are listed.

1.4.43 "**Subsidiary**" means, in respect of a Person, another Person that is Controlled directly or indirectly by such Person and includes a Subsidiary of that Subsidiary.

1.4.44 "**Termination**" means:

- (a) In the case of a Participant who is Employed, the termination of a Participant's Employment with the Corporation or a Subsidiary of the Corporation (other than in connection with the Participant's transfer to Employment with the Corporation or another Subsidiary), which shall occur on the date on which the Participant's Employment ceases for any reason, whether lawful or otherwise (including by reason of termination for Cause, termination without Cause, resignation, death, Disability or constructive dismissal), without giving effect to any compensation or pay in lieu of notice (paid by way of lump sum or salary continuance), benefits continuance or other termination-related payments or benefits to which the Participant may be entitled pursuant to contract, the common law or otherwise (except as expressly required by applicable employment or labour standards legislation), but, for greater certainty, a Participant's absence from active Employment during a period of vacation, temporary illness, maternity or parental leave, leave on account of Disability or any other authorized leave of absence shall not be considered to be a "**Termination**"; and
- (b) in the case of a Participant who is a Non-Employee Director, the cessation of the Participant's term of office with the Corporation or a Subsidiary of the Corporation for any reason (including due to death or Disability), which shall occur on the date on which the Participant ceases to hold such office;

and, in the case of a U.S. Taxpayer who receives a Grant subject to the provisions of Section 409A of the Code, the Termination shall constitute a "Separation From Service", within the meaning of Section 409A of the Code, to the extent necessary to comply with the requirements of Section 409A of the Code, and "**Terminated**" and "**Terminates**" shall be construed accordingly.

- 1.4.45 "**Termination Date**" means the date on which a Termination occurs as set out in Section 1.4.44.
- 1.4.46 "**Time Vesting**" means any conditions relating to the passage of time or continued Employment or service with the Corporation or Subsidiary of the Corporation for a period of time in respect of a Grant, as may be determined by the Board. For clarity, except as required to satisfy the minimum requirements of applicable employment or labour standards legislation, "continued Employment or service" ends on the Termination Date.
- 1.4.47 "**Trading Day**" means a day on which the Stock Exchange is open for trading and on which the Shares actually traded.
- 1.4.48 "**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.
- 1.4.49 "**U.S. Securities Act**" means the U.S. Securities Act of 1933, as amended.

- 1.4.50 **“U.S. Taxpayer”** means an individual who is subject to tax under the Code in respect of any Grants, amounts payable or Shares deliverable under this Plan.
- 1.4.51 **“Vested”** means, with respect to any Option, Share Unit or other award included in a Grant, that the applicable conditions with respect to Time Vesting, achievement of Performance Conditions and/or any other conditions established by the Board have been satisfied or, to the extent permitted under the Plan, waived, and **“Vesting”** and any other applicable derivative term shall be construed accordingly.
- 1.4.52 **“Vesting Date”** means the date on which the applicable Time Vesting, Performance Conditions and/or any other conditions for an Option, Share Unit or other award included in a Grant becoming Vested are met, deemed to have been met or waived as contemplated in Section 1.4.51.

## 2. CONSTRUCTION AND INTERPRETATION

### 2.1 **Gender, Singular, Plural etc.**

In the Plan, references to one gender include all genders; and references to the singular shall include the plural and vice versa, as the context shall require. Wherever the words “include”, “includes” or “including” are used in this Plan, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.

### 2.2 **Severability.**

If any provision or part of the Plan is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

### 2.3 **Headings, Sections and Parts.**

Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained. A reference to a section or schedule shall, except where expressly stated otherwise, mean a section or schedule of the Plan, as applicable. The Plan is divided into four Parts. Part I contains provisions of general application to all Grants; Part II applies specifically to Options; and Part III applies specifically to Share Units.

## 3. ADMINISTRATION

### 3.1 **Administration by the Board.**

The Plan shall be administered by the Board (or if so delegated in whole or in part by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan) in accordance with its terms and subject to Applicable Law. As of the date of adoption of the Plan, in accordance with the foregoing and Section 3.5, the Board has delegated the administration of the Plan to the

Compensation, Corporate Governance, and Nominating Committee of the Board under and in accordance with that committee's charter.

Subject to and consistent with the terms of the Plan, in addition to any authority of the Board specified under any other terms of the Plan, the Board shall have full and complete discretionary authority to:

- (a) interpret the Plan and Grant Agreements;
- (b) prescribe, amend and rescind such rules and regulations and make all determinations necessary or desirable for the administration and interpretation of the Plan and instruments of grant evidencing Grants;
- (c) determine those Eligible Persons who may receive Grants as Participants, grant one or more Grants to such Participants and approve or authorize the applicable form and terms of the related Grant Agreement;
- (d) determine the terms and conditions of Grants granted to any Participant, including, without limitation, as applicable (i) Grant Value and the number of Shares subject to a Grant, (ii) the Exercise Price for Shares subject to a Grant, (iii) the conditions to the Vesting of a Grant or any portion thereof, including, as applicable, the period for achievement of any applicable Performance Conditions as a condition to Vesting, and the conditions, if any, upon which Vesting of any Grant or any portion thereof will be waived or accelerated without any further action by the Board, (iv) the circumstances upon which a Grant or any portion thereof shall be forfeited, cancelled or expire, (v) the consequences of a Termination with respect to a Grant, (vi) the manner of exercise or settlement of the Vested portion of a Grant, (vii) whether, and the terms upon which, a Grant may be settled in cash, newly issued Shares or a combination thereof, and (viii) whether, and the terms upon which, any Shares delivered upon exercise or settlement of a Grant must be held by a Participant for any specified period of time;
- (e) determine whether, and the extent to which, any Performance Conditions or other conditions applicable to the Vesting of a Grant have been satisfied or shall be waived or modified;
- (f) make such rules, regulations and determinations as it deems appropriate under the Plan in respect of any leave of absence or Disability of any Participant. Without limiting the generality of the foregoing, the Board shall be entitled to determine:
  - (i) whether or not any such leave of absence shall constitute a Termination within the meaning of the Plan; and
  - (ii) the impact, if any, of any such leave of absence on Grants issued under the Plan made to any Participant who takes such leave of absence (including, without limitation, whether or not such leave of absence shall cause any Grants to expire and the impact upon the time or times such Grants shall be exercisable);

- (g) amend the terms of any Grant Agreement or other documents evidencing Grants;
  - (h) determine whether, and the extent to which, adjustments shall be made pursuant to Section 5 and the terms of such adjustments; and
  - (i) require that any Participant provide certain representations, warranties, and certifications to the Corporation to satisfy the requirements of applicable securities laws, including, without limitation, exemptions or exclusions from the registration requirements of the U.S. Securities Act and applicable state securities laws.
- 3.2 All determinations, interpretations, rules, regulations, or other acts of the Board respecting the Plan or any Grant shall be made in its sole discretion and shall be conclusively binding upon all Persons.
- 3.3 Subject to Section 7.6, the Board may, from time to time, amend the Plan for the purpose of establishing one or more sub-plans for the benefit of Eligible Persons who are subject to the laws of a jurisdiction other than Canada in connection with their participation in the Plan.
- 3.4 The Board may also prescribe terms for Grant Agreements in respect of Eligible Persons who are subject to the laws of a jurisdiction other than Canada in connection with their participation in the Plan that are different than the terms of the Grant Agreements for Eligible Persons who are subject to the laws of Canada in connection with their participation in the Plan, and/or deviate from the terms of the Plan set out herein, for purposes of compliance with Applicable Law in such other jurisdiction or where, in the Board's opinion, such terms or deviations are necessary or desirable to obtain more advantageous treatment for the Corporation, a Subsidiary of the Corporation or the Eligible Person in respect of the Plan under the Applicable Law of the other jurisdiction.

Notwithstanding the foregoing, the terms of any Grant Agreement authorized pursuant to this Section 3.3 shall be consistent with the Plan to the extent practicable having regard to the Applicable Law of the jurisdiction in which such Grant Agreement is applicable and in no event shall contravene the Applicable Law of Canada.

- 3.5 The Board may, in its discretion, subject to Applicable Law, delegate its powers, rights and duties under the Plan, in whole or in part, to a committee of the Board, an individual or individuals, as it may determine, from time to time, on terms and conditions as it may determine, from time to time, provided that (a) the Board shall not, and shall not be permitted to delegate any such powers, rights or duties with respect to the grant, amendment, administration or settlement of any Grant to the extent delegation is not consistent with Applicable Law and any such purported delegation or action shall not be given effect, and (b) the composition of the committee of the Board, Person or Persons, as the case may be, shall comply with Applicable Law. In addition, provided it complies with the foregoing, the Board may appoint or engage a trustee, custodian or administrator to administer or implement the Plan or any aspect of it.

#### 4. SHARE RESERVE AND PREDECESSOR PLAN

- 4.1 Subject to Sections 4.5 and 4.6 and any adjustment pursuant to Section 5.1, the aggregate number of Shares that may be issued pursuant to Grants made under the Plan shall be **734,043**.
- 4.2 The maximum number of Shares
- (a) issued to Insiders within any one-year period, and
  - (b) issuable to Insiders, at any time,
- under the Plan, or when combined with all of the Corporation's other Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the number of the aggregate issued and outstanding Shares as of any relevant date of determination.
- 4.3 The aggregate number of Shares that may be issued to any one Non-Employee Director pursuant to Grants made under the Plan, together with all other Security Based Compensation Arrangements to that Non-Employee Director, must not exceed one percent (1%) of the aggregate number of issued and outstanding Shares as of any relevant date of determination.
- 4.4 The aggregate equity award value of any Grants made under the Plan, together with the aggregate equity award value of any awards under all other Security Based Compensation Arrangements, to a Non-Employee Director for any one-year period, other than in lieu of cash fees, shall not exceed C\$150,000, of which no more than C\$100,000 of value may comprise Options; for clarity, the value of each such Grant determined as of the Grant Date.
- 4.5 For purpose of computing, under the Plan, the total number of Shares available for grant under the Plan, or any other Security Based Compensation Arrangement of the Corporation, Shares subject to any Grant (or any portion thereof) that are forfeited, surrendered, cancelled or otherwise terminated prior to the issuance of such Shares shall again be available for grant under the Plan. In addition, if Shares issuable upon exercise, Vesting or settlement of a Grant are surrendered to the Corporation as part of a net settlement in payment of any taxes required to be withheld in respect of a Grant in accordance with the terms and conditions of the Plan and any applicable Grant Agreement, such surrendered Shares shall again be available for grant under the Plan.
- 4.6 To the extent any Predecessor Plan Grants (or portion(s) thereof) terminate or are cancelled for any reason prior to exercise in full, or are surrendered to the Corporation by the Participant, any Shares subject to such awards (or portion(s) thereof) shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Grants granted under this Plan.
- 4.7 For greater certainty, in connection with the issuance of Shares to a Participant that has elected to exercise their Options for the In-the-Money Amount in accordance with Section 9.5, only the number of Shares actually issued to such

Participant shall reduce the number of Shares available for issuance pursuant to the exercise of Grants granted under this Plan.

- 4.8 On and after the Effective Date, subject to the terms of any agreement in respect of an award under the Predecessor Plan, no new awards may be granted under the Predecessor Plan, it being understood that awards outstanding under the Predecessor Plan prior to the Effective Date (“**Predecessor Plan Grants**”) shall remain in full force and effect under the Predecessor Plan according to their respective terms; provided that the Board may amend any such Predecessor Plan Grants on or after the Effective Date to cause such Predecessor Plan Grants to become subject to, and settled pursuant to, the terms of the Plan and each Predecessor Plan Grant so amended shall retain its original grant date for purposes of applying the terms of the Plan. For the avoidance of doubt, all remaining available Shares under the Predecessor Plan that are not the subject of Predecessor Plan Grants will automatically and immediately cease to be available under the Predecessor Plan at the Effective Date of this Plan.

## 5. ALTERATION OF CAPITAL AND CHANGE IN CONTROL

- 5.1 Notwithstanding any other provision of the Plan, and subject to Applicable Law, in the event of any change in the Shares by reason of any dividend (other than dividends in the ordinary course), split, recapitalization, reclassification, amalgamation, arrangement, merger, consolidation, combination or exchange of Shares or distribution of rights to holders of Shares or any other relevant changes to the authorized or issued capital of the Corporation, if the Board shall determine that an equitable adjustment should be made, such adjustment shall be made by the Board to: (a) the number of Shares subject to the Plan; (b) the securities into which the Shares are changed or are convertible or exchangeable; (c) any Options then outstanding; (d) the Exercise Price in respect of such Options; and/or (e) with respect to the number of Share Units outstanding under the Plan, and any such adjustment shall be conclusive and binding for all purposes of the Plan.
- 5.2 No adjustment provided for pursuant to Section 5.1 shall require the Corporation to issue fractional Shares or consideration in lieu thereof in satisfaction of its obligations under the Plan. Any fractional interest in a Share that would, except for the provisions of this Section 5.2, be deliverable upon the exercise of any Grant shall be cancelled and not deliverable by the Corporation.
- 5.3 In the event of a Change in Control prior to the Vesting of a Grant, and subject to the terms of a Participant’s written employment agreement or contract for services with the Corporation or a Subsidiary of the Corporation and the applicable Grant Agreement, all Grants shall, in the absence of the exercise of the Board’s authority as contemplated by the balance of this Section 5.3, immediately Vest, without giving effect to any multiplier associated with Performance Conditions attaching to a Grant, provided that the Board shall have full authority to determine in its sole discretion the effect, if any, of a Change in Control on the Vesting, exercisability, settlement, payment or lapse of restrictions applicable to a Grant, which effect may be specified in the applicable Grant Agreement or determined at a subsequent time. Subject to Applicable Law, rules and regulations, the Board shall, at any time prior to, coincident with or after the effective time of a Change in Control, take such actions as it may consider appropriate, including, without limitation: (a) provide for

the acceleration of any Vesting or exercisability of a Grant; (b) provide for the deemed attainment of Performance Conditions relating to a Grant; (c) provide for the lapse of restrictions relating to a Grant; (d) provide for the assumption, substitution, replacement or continuation of any Grant by a successor or surviving corporation (or a parent or subsidiary thereof) with cash, securities, rights or other property to be paid or issued, as the case may be, by the successor or surviving corporation (or a parent or subsidiary thereof); (e) provide that a Grant shall terminate or expire unless exercised or settled in full on or before a date fixed by the Board; or (f) terminate or cancel any outstanding Grant in exchange for a cash payment (provided that, if as of the date of the Change in Control, the Board determines that no amount would have been realized upon the exercise or settlement of the Grant, then the Grant may be cancelled by the Corporation without payment of consideration).

## **6. CLAWBACK**

### **6.1 Clawback.**

It is a condition of each Grant to a Participant that is an Executive Officer that the Grant is subject to the Clawback Policy.

## **7. MISCELLANEOUS**

### **7.1 Compliance with Laws and Policies.**

The Corporation's obligation to make any payments, offer or deliver (or cause to be delivered) any Shares or other awards hereunder is subject to compliance with Applicable Law. Each Participant shall acknowledge and agree (and shall be conclusively deemed to have so acknowledged and agreed by participating in the Plan) that the Participant will, at all times, act in strict compliance with Applicable Law and all other laws and any policies of the Corporation applicable to the Participant in connection with the Plan including, without limitation, the Insider Trading Policy and Clawback Policy of the Corporation, and furnish to the Corporation all information and undertakings as may be required to permit compliance with Applicable Law, including, without limitation, such representations or agreements as counsel for the Corporation may consider appropriate to avoid violation of the U.S. Securities Act, or any applicable state or non-U.S. securities laws. The Corporation may require that certificates or book-entry notations evidencing Shares delivered under this Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Shares. If counsel to the Corporation shall determine that the listing, registration or qualification of the Shares or any other award under this Plan upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the offer, grant, issuance, exercise or delivery of such Shares or awards, nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.

### **7.2 Withholdings.**

So as to ensure that the Corporation or a Subsidiary of the Corporation, as applicable, will be able to comply with the applicable obligations under any federal,

provincial, state or local law relating to the withholding of tax or other required deductions, the Corporation or the Subsidiary of the Corporation shall withhold or cause to be withheld from any amount payable to a Participant, either under this Plan, or otherwise, such amount as may be necessary to permit the Corporation or the Subsidiary of the Corporation, as applicable, to so comply. The Corporation and any Subsidiary of the Corporation may also satisfy any liability for any such withholding obligations, on such terms and conditions as the Corporation may determine in its sole discretion, by (a) selling on such Participant's behalf, or requiring such Participant to sell, any Shares, and retaining any amount payable which would otherwise be provided or paid to such Participant in connection with any such sale, or (b) requiring, as a condition to the delivery of Shares hereunder, that such Participant make such arrangements as the Corporation may require so that the Corporation and its Subsidiaries can satisfy such withholding obligations, including requiring such Participant to remit an amount to the Corporation or a Subsidiary of the Corporation in advance, or reimburse the Corporation or any Subsidiary of the Corporation for, any such withholding obligations (including, if approved by the Board, by net settlement of the applicable Grant).

### 7.3 **United States Securities Law Matters.**

No Grant shall be made in the United States and no Shares shall be issued upon exercise, conversion or settlement of any such Grant in the United States unless such securities are registered under the U.S. Securities Act and any applicable U.S. state securities laws, or an exemption from such registration is available. Any Grant issued in the United States that is not registered under the U.S. Securities Act, and any Shares issued upon exercise, conversion or settlement thereof, will be "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing such securities shall bear a legend restricting transfer under applicable United States federal and state securities laws in substantially the following form:

"THE SECURITIES REPRESENTED HEREBY [AND THE SECURITIES ISSUABLE UPON EXERCISE / CONVERSION / SETTLEMENT HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE CORPORATION AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER

EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES."

The Board may require that a Participant provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable securities laws, including without limitation, the registration requirements of the U.S. Securities Act and applicable state securities laws or exemptions or exclusions therefrom.

7.4 **No Right to Continued Employment or Service.**

Nothing in the Plan or in any Grant Agreement entered into pursuant hereto shall confer upon any Participant the right to continue in the employ or service of the Corporation or any Subsidiary of the Corporation, to be entitled to any remuneration or benefits not set forth in the Plan or a Grant Agreement or to interfere with or limit in any way the right of the Corporation or any Subsidiary of the Corporation to terminate Participant's employment or service arrangement with the Corporation or any Subsidiary of the Corporation.

7.5 **No Additional Rights.**

Neither the designation of an individual as a Participant nor the Grant of any Options, Share Units or other award to any Participant entitles any Person to the Grant, or any additional Grant, as the case may be, of any Options, Share Units or other award under the Plan. For greater certainty, the Board's decision to approve a Grant in any period shall not require the Board to approve a Grant to any Participant in any other period; nor shall the Board's decision with respect to the size or terms and conditions of a Grant in any period require it to approve a Grant of the same or similar size or with the same or similar terms and conditions to any Participant in any other period. The Board shall not be precluded from approving a Grant to any Participant solely because such Participant may have previously received a Grant under this Plan or any other similar compensation arrangement of the Corporation or a Subsidiary. No Eligible Person has any claim or right to receive a Grant except as may be provided in a written employment or services agreement between an Eligible Person and the Corporation or a Subsidiary of the Corporation.

7.6 **Amendment, Termination.**

The Plan and any Grant made pursuant to the Plan may be amended, modified or terminated by the Board without approval of shareholders, provided that (1) no amendment to the Plan or Grants made pursuant to the Plan may be made without the consent of a Participant if it adversely alters or impairs the rights of the Participant in respect of any Grant previously granted to such Participant under the Plan, except that Participant consent shall not be required where the amendment is required for purposes of compliance with Applicable Law, and (2) the Plan may not be amended to do any of the following without shareholder approval in accordance with the requirements of the Stock Exchange:

- (a) increase in the maximum number of Shares issuable pursuant to the Plan and as set out in Section 4.1;
- (b) increase or remove the limits on Shares issuable or issued to Insiders as set forth in Section 4.2;
- (c) increase or remove the limits on Shares issuable or issued to Non-Employee Directors as set forth in Section 4.3 and/or Section 4.4;
- (d) except as set forth in Section 5, reduce the Exercise Price of an outstanding Option, including any of the following (or any other action that has the same effect as any of the following): (i) changing the terms of an Option to lower its Exercise Price; (ii) repurchasing for cash or canceling an Option at a time when its Exercise Price is greater than the Market Price of the underlying Shares in exchange for another award; and (iii) any other action that is treated as a “repricing” under generally accepted accounting principles applicable to the Corporation;
- (e) amend the maximum term of the Options to a date more than ten (10) years from the Grant Date;
- (f) extend the maximum term of any Grant made under the Plan, except pursuant to Section 5;
- (g) amend the assignment provisions contained in Section 7.12;
- (h) provide for the addition of any form of financial assistance to a Participant in respect of Grants;
- (i) include other types of equity compensation involving the issuance of Shares under the Plan; or
- (j) amend this Section 7.6 to amend or delete any of (a) through (j) or grant additional powers to the Board to amend the Plan or entitlements without shareholder approval.

For greater certainty and without limiting the foregoing, shareholder approval shall not be required for the following amendments and the Board may make the following changes without shareholder approval, subject to any regulatory approvals including, where required, the approval of any Stock Exchange:

- (k) amendments of a “housekeeping” nature;
- (l) a change to the Vesting provisions of any Grants; or
- (m) a change to the termination provisions of any Grant that does not entail an extension beyond the original term of the Grant.

7.7 **Currency.** Except where the context otherwise requires, all references in the Plan to currency refer to lawful Canadian currency. Any amounts required to be determined under this Plan that are denominated in a currency other than Canadian dollars shall be converted to Canadian dollars at the applicable Bank of

Canada daily exchange rate on the date as of which the amount is required to be determined.

7.8 **Administration Costs.**

The Corporation will be responsible for all costs relating to the administration of the Plan.

7.9 **Designation of Beneficiary.**

Subject to the requirements of Applicable Law, a Participant may designate a Beneficiary, in writing, to receive any benefits that are provided under the Plan upon the death of such Participant. The Participant may, subject to Applicable Law, change such designation from time to time. Such designation or change shall be in such form as may be prescribed by the Board from time to time. A Beneficiary designation under this Section 7.9 and any subsequent changes thereto shall be filed with the general counsel of the Corporation.

7.10 **Governing Law.**

The Plan and any Grants pursuant to the Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and with respect to Participants who are U.S. Taxpayers, with the Code and applicable federal laws of the United States. The Board may provide that any dispute to any Grant shall be presented and determined in such forum as the Board may specify, including through binding arbitration. Any reference in the Plan, in any Grant Agreement issued pursuant to the Plan or in any other agreement or document relating to the Plan to a provision of law or rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability. To the extent applicable, with respect to Participants who are U.S. Taxpayers, this Plan shall be interpreted in accordance with the requirements of Code Section 409A and the regulations, notices, and other guidance of general applicability issued thereunder.

7.11 **Assignment.**

The Plan shall inure to the benefit of and be binding upon the Corporation, its successors and assigns.

7.12 **Transferability.**

Unless otherwise provided in the Plan, no Grant, and no rights or interests therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession. No such interest shall be subject to execution, attachment or similar legal process including without limitation seizure for the payment of the Participant's debts, judgments, alimony or separate maintenance.

**8. EFFECTIVE DATE**

8.1 The Plan is established effective September 15, 2022.

## PART II – OPTIONS

### 9. OPTIONS

- 9.1 The Corporation may, from time to time, make one or more Grants of Options to Eligible Persons on such terms and conditions, consistent with the Plan, as the Board shall determine. In granting such Options, subject to the provisions of the Plan, the Corporation shall specify,
- (a) the maximum number of Shares which the Participant may purchase under the Options;
  - (b) the Exercise Price at which the Participant may purchase their Shares under the Options; and
  - (c) the term of the Options, to a maximum of ten (10) years from the Grant Date of the Options, the Vesting period or periods within this period during which the Options or a portion thereof may be exercised by a Participant and any other Vesting conditions (including Performance Conditions).
- 9.2 The Exercise Price for each Share subject to an Option shall be fixed by the Board but under no circumstances shall any Exercise Price be less than one hundred percent (100%) of the Market Price on the Grant Date of such Option.
- 9.3 Each Grant Agreement entered into in respect of Options shall set forth, at a minimum, the Grant Date of the Grant evidenced thereby, the number of Shares underlying such Grant, the applicable Vesting conditions, the applicable Vesting Period(s) and the treatment of the Grant upon Termination (if different from the treatment set out in the Plan) and may specify such other terms and conditions consistent with the terms of the Plan as the Board shall determine or as shall be required under any other provision of the Plan. The Board may include in a Grant Agreement under this Part II terms or conditions pertaining to confidentiality of information relating to the Corporation's operations or businesses which must be complied with by a Participant including as a condition of the grant or Vesting of Options.
- 9.4 Subject to the provisions of the Plan and the terms governing the granting of the Option, and subject to payment or other satisfaction of all related withholding obligations in accordance with Section 7.2, Vested Options or a portion thereof may be exercised from time to time by delivery to the Corporation of a notice in writing signed by the Participant or the Participant's legal personal representative, as the case may be, and addressed to the Corporation, specifying (i) the number of Shares with respect to which the Options are being exercised; (ii) the number of Shares, if any, with respect to which the Participant is surrendering such Options and electing to receive the In-the-Money Amount in respect of such Shares; and (iii) otherwise in accordance with the exercise procedures respecting Options determined by the Board from time to time accompanied by payment in full of the Exercise Price of the Shares to be purchased, if any, on the exercise of the Options.
- 9.5 If a Participant elects to surrender the right to acquire Shares under any Option(s) in exchange for the In-the-Money Amount, the Corporation will determine whether

to pay such amount in cash or in Shares representing the equivalent of the In-the-Money Amount in respect of such Shares based on the Market Price of the Shares at the date of exercise, or by way of a combination of cash and Shares, and:

- (a) if the Corporation elects to pay the In-the-Money Amount in cash, the Corporation shall deliver a cheque or similar means of payment for the In-the-Money Amount (less applicable withholding of taxes) to the Participant within a reasonable period of time following the receipt of the notice set out in Section 9.4; or
- (b) if the Corporation elects to pay the In-the-Money Amount in Shares, subject to Section 9.6, the Corporation shall issue the number of Shares with a value equivalent to the In-the-Money Amount (subject to satisfaction of all related withholding obligations in accordance with Section 7.2) to the Participant within a reasonable period of time following the receipt of the notice set out in Section 9.4.

9.6 For greater clarity, the number of Shares issued in respect of payment of the In-the-Money Amount in accordance with Section 9.5(b) hereof shall be rounded down to the next whole Share.

9.7 If the normal expiry date of any Option falls within any Blackout Period or within ten (10) Business Days following the end of any Blackout Period, then the expiry date of such Option shall, without any further action, be extended to the date that is ten (10) Business Days following the end of such Blackout Period. The foregoing extension applies to all Options whatever the Grant Date and shall not be considered an extension of the term of the Options as referred to in Section 7.6; provided however, that no extension shall be effected which would result in the Option being subject to, or in violation of, Code Section 409A.

## **10. TERMINATION OF EMPLOYMENT – OPTIONS**

10.1 Outstanding Options held by a Participant as of the Participant's Termination Date, regardless of the reason for Termination, shall be subject to the provisions of this Section 10, as applicable; except that, in all events, the period for exercise of Options shall end no later than the last day of the maximum term thereof established under Section 9.1(c), 9.5, or 10.8, as the case may be, and any Options that do not become Vested or that expire without being exercised shall be cancelled, and the Participant shall have no claim to damages in respect thereof, whether related or attributable to contractual or common law termination entitlements or otherwise.

10.2 Subject to the applicable Grant Agreement, Section 10.1 and Section 10.8, in the case of a Participant's Termination due to death or due to Disability, the Participant's outstanding Options that have become Vested prior to the Participant's date of death or Disability Date shall continue to be exercisable during the twelve (12) month period following such date of death or Disability Date, as the case may be.

10.3 Subject to the applicable Grant Agreement, Section 10.1 and Section 10.8, in the case of a Participant's Termination without Cause (including by way of constructive dismissal), the Participant's outstanding Options that have become Vested prior to

the Participant's Termination Date shall continue to be exercisable during the ninety (90) day period following the Participant's Termination Date.

- 10.4 Subject to the applicable Grant Agreement, Section 10.1 and Section 10.8, in the case of a Participant's Termination due to the Participant's resignation (including the voluntary withdrawal of services by a Participant who is not an employee under Applicable Law), the Participant's outstanding Options that have become Vested prior to the Participant's Termination Date shall continue to be exercisable during the ninety (90) day period following the Participant's Termination Date.
- 10.5 Subject to the applicable Grant Agreement, Section 10.1 and Section 10.8, in the case of a Participant's Termination for Cause, the Participant's outstanding Options that have become Vested prior to the Participant's Termination Date shall continue to be exercisable during the ten (10) Business Day period following the Participant's Termination Date, provided that the Board may, if it deems appropriate and subject to applicable law, determine that outstanding Options that have become Vested prior to the Participant's Termination Date shall be immediately forfeited and expire.
- 10.6 Subject to the applicable Grant Agreement, Section 10.1 and Section 10.8, in the case of a Participant's Termination for any reason other than for Cause, except as required to satisfy the minimum requirements under applicable employment or labour standards legislation, any and all then outstanding Options granted to the Participant that have not Vested prior to the Termination Date (including, for certainty, any Options that would have vested during any contractual or common law notice period following the Termination Date), shall not Vest and shall be immediately forfeited and cancelled, without any consideration therefor, as of the Termination Date, and the Participant shall have no claim to damages in respect thereof, whether related or attributable to any contractual or common law termination entitlements or otherwise.
- 10.7 Notwithstanding any other provision hereof or in any Grant Agreement, in the case of a Participant's Termination for Cause, except as required to satisfy the minimum requirements of applicable employment or labour standards legislation, any and all then outstanding Options granted to the Participant that have not Vested prior to the Termination Date (including, for certainty, any Options that would have vested during any contractual or common law notice period following the Termination Date) shall be immediately forfeited and cancelled, without any consideration therefor, as of the Termination Date, and the Participant shall have no claim to damages in respect thereof, whether related or attributable to any contractual or common law termination entitlements or otherwise.
- 10.8 In addition to the Board's rights under Section 3.1, but subject to Section 10.7, the Board may, at the time of a Participant's Termination Date or Disability Date, extend the period for exercise of some or all of the Participant's Options, but not beyond the original expiry date, and/or allow for the continued Vesting of some or all of the Participant's Options during the period for exercise or a portion of it. Options that are not exercised prior to the expiration of the exercise period, including any extended exercise period authorized pursuant to this Section 10.8, following a Participant's Termination Date or Disability Date shall automatically expire on the last day of such period (regardless of any contractual or common law

notice period that follows the last day of such period), and the Participant shall have no claim to damages in respect thereof, whether related or attributable to any contractual or common law termination entitlements or otherwise.

- 10.9 For greater certainty, except as required to satisfy the minimum requirements of applicable employment or labour standards legislation, a Participant shall have no right to receive Shares or a cash payment, as compensation, damages or otherwise, with respect to any Options that do not become Vested (regardless of whether such Options would have vested during any contractual or common law notice period following the Termination Date) or that are forfeited and/or cancelled or otherwise not exercised before the date on which the Options expire, whether related or attributable to any contractual or common law termination entitlements or otherwise.

## PART III – SHARE UNITS

### 11. DEFINITIONS

- 11.1 “**Grant Value**” means the dollar amount allocated to an Eligible Person in respect of a Grant of Share Units.
- 11.2 “**Share Unit Account**” has the meaning set out in Section 13.1.
- 11.3 “**Valuation Date**” means the date as of which the Market Price is determined for purposes of calculating the number of Share Units included in a Grant, which unless otherwise determined by the Board shall be the Grant Date.
- 11.4 “**Vesting Period**” means, with respect to a Grant of Share Units, the period specified by the Board, commencing on the Grant Date and ending on the last Vesting Date for such Share Units.

### 12. ELIGIBILITY AND GRANT DETERMINATION.

- 12.1 The Board may from time to time make one or more Grants of Share Units to Eligible Persons on such terms and conditions, consistent with the Plan, as the Board shall determine, provided that, in determining the Eligible Persons to whom Grants are to be made and the Grant Value for each Grant, the Board shall take into account the terms of any written employment agreement or contract for services between an Eligible Person and the Corporation or any Subsidiary of the Corporation and may take into account such other factors as it shall determine in its sole and absolute discretion.
- 12.2 The Board shall determine the Grant Value and the Valuation Date (if not the Grant Date) for each Grant under this Part III. The number of Share Units to be covered by each such Grant shall be determined by dividing the Grant Value for such Grant by the Market Price of a Share as at the Valuation Date for such Grant, rounded up to the next whole number.
- 12.3 Each Grant Agreement entered into in respect of Share Units shall set forth, at a minimum, the type of Share Units and Grant Date of the Grant evidenced thereby, the number of RSUs or PSUs subject to such Grant, the applicable Vesting conditions, the applicable Vesting Period(s) and the treatment of the Grant upon Termination (if different from the treatment set out in the Plan) and may specify such other terms and conditions consistent with the terms of the Plan as the Board shall determine or as shall be required under any other provision of the Plan. The Board may include in a Grant Agreement under this Part III terms or conditions pertaining to confidentiality of information relating to the Corporation’s operations or businesses which must be complied with by a Participant including as a condition of the grant or Vesting of Share Units.

### 13. ACCOUNTS AND DIVIDEND EQUIVALENTS

#### 13.1 Share Unit Account.

An account, called a “**Share Unit Account**”, may be maintained by the Corporation, or a Subsidiary of the Corporation, as specified by the Board, for each

Participant who has received a Grant of Share Units and may be credited with such Grants of Share Units as are received by a Participant from time to time pursuant to Section 12 and any dividend equivalent Share Units pursuant to Section 13.2. Share Units that fail to Vest to a Participant and are forfeited pursuant to Section 14, or that are paid out to the Participant or their Beneficiary, shall be cancelled and shall cease to be recorded in the Participant's Share Unit Account as of the date on which such Share Units are forfeited or cancelled under the Plan or are paid out, as the case may be. For greater certainty, where a Participant is granted both RSUs and PSUs, such RSUs and PSUs shall be recorded separately in the Participant's Share Unit Account.

13.2 **Dividend Equivalent Share Units.**

Except as otherwise provided in the Grant Agreement relating to a Grant of RSUs or PSUs, if and when cash dividends (other than extraordinary or special dividends) are paid with respect to Shares to shareholders of record as of a record date occurring during the period from the Grant Date under the Grant Agreement to the date of settlement of the RSUs or PSUs granted thereunder, a number of dividend equivalent RSUs or PSUs, as the case may be, shall be credited to the Share Unit Account of the Participant who is a party to such Grant Agreement. The number of such additional RSUs or PSUs will be calculated by dividing the aggregate dividends or distributions that would have been paid to such Participant if the RSUs or PSUs in the Participant's Share Unit Account had been Shares by the Market Price as at the close of the second Business Day prior to the dividend record date. The additional RSUs or PSUs granted to a Participant will be subject to the same terms and conditions, including Vesting and settlement terms, as the corresponding RSUs or PSUs.

**14. VESTING AND SETTLEMENT OF SHARE UNITS**

14.1 **Continued Employment.**

Subject to this Section 14 and the applicable Grant Agreement, Share Units subject to a Grant and dividend equivalent Share Units credited to the Participant's Share Unit Account in respect of such Share Units shall Vest in such proportion(s) and on such Vesting Date(s) as may be specified in the Grant Agreement governing such Grant provided that the Participant's Termination Date has not occurred on or prior to the relevant Vesting Date.

14.2 **Settlement.**

A Participant's RSUs and PSUs, adjusted in accordance with the applicable multiplier, if any, as set out in the Grant Agreement, and rounded down to the nearest whole number of RSUs or PSUs, as the case may be, shall be settled by a distribution as provided below to the Participant or their Beneficiary following the Vesting thereof in accordance with Section 14.1, as the case may be, subject to the terms of the applicable Grant Agreement. In all events, unless the Grant Agreement specifies that RSUs and PSUs must be settled through the issuance of Shares, settlement will occur upon or as soon as reasonably practicable following Vesting and, in any event, on or before December 31 of the third year following the year in which the Participant performed the services to which the Grant of RSUs or PSUs relates. Settlement shall be made by the issuance of one

Share for each RSU or PSU then being settled, a cash payment equal to the Market Price on the Vesting Date of the RSUs or PSUs being settled in cash (subject to Section 14.3), or a combination of Shares and cash, all as determined by the Board in its discretion, or as specified in the applicable Grant Agreement, and subject to payment or other satisfaction of all related withholding obligations in accordance with Section 7.2.

14.3 **Postponed Settlement.**

If a Participant's Share Units would, in the absence of this Section 14.3, be settled within a Blackout Period applicable to such Participant, such settlement shall be postponed until the earlier of the Trading Day following the date on which such Blackout Period ends (or as soon as practicable thereafter) and the latest otherwise applicable date for settlement of the Participant's Share Units as determined in accordance with Section 14.2, and the Market Price of any RSUs or PSUs being settled in cash will be determined as of the earlier of the Trading Day on which the Blackout Period ends and the day prior to the settlement date; provided, however, that no postponement of settlement shall be effected which would result in the Share Units being subject to, or in violation of, Code Section 409A.

14.4 **Failure to Vest.**

For greater certainty, except as required to satisfy the minimum requirements of applicable employment or labour standards legislation, a Participant shall have no right to receive Shares or a cash payment, as compensation, damages or otherwise, whether related or attributable to any contractual or common law termination entitlements or otherwise with respect to any RSUs or PSUs that do not become Vested (including, for certainty, any RSUs or PSUs that would have vested during any contractual or common law notice period following the Termination Date) or are forfeited and/or cancelled hereunder.

14.5 **Termination of Employment.**

Subject to the applicable Grant Agreement and Section 14.6 and except as required to satisfy the minimum requirements of applicable employment or labour standards legislation, in the event of a Participant's Termination for any reason, Share Units that have not Vested prior to the Termination Date (for certainty, regardless of whether such Share Units would have vested during any contractual or common law notice period following the Termination Date), including dividend equivalent Share Units in respect of such Share Units, shall not Vest and all such Share Units shall be forfeited immediately. The Participant shall have no further entitlement to RSUs or PSUs following their Termination Date other than to receive cash or Shares in respect of Vested RSUs and PSUs in accordance with Section 14.2, and waives any claim to damages in respect thereof whether related or attributable to any contractual or common law termination entitlements or otherwise.

14.6 **Extension of Vesting.**

The Board may, at the time of Termination, extend the period for Vesting of Share Units, but not beyond the original end of the applicable Vesting Period.

**15. SHAREHOLDER RIGHTS**

15.1 **No Rights to Shares.**

Share Units are not Shares and a Grant of Share Units will not entitle a Participant to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation.

## Exhibit "A"

### Medexus Long Term Incentive Plan

#### Special Provisions Applicable to U.S. Taxpayer

This Exhibit sets forth special provisions of the Medexus Long Term Incentive Plan (the "Plan") that apply to Participants who are U.S. Taxpayers. This Exhibit shall apply to such Participants notwithstanding any other provisions of the Plan. Terms defined elsewhere in the Plan and used herein shall have the meanings set forth in the Plan, as may be amended from time to time.

#### **Definitions**

**"Disability"** means, solely with respect to an award that constitutes deferred compensation subject to Section 409A of the Code and solely to the extent necessary to comply with Section 409A of the Code, a "disability" as defined under Section 409A of the Code.

**"Eligible Person"** means, solely with respect to Options, an individual Employed by the Corporation or any of its subsidiaries who, by the nature of their position or job is, in the opinion of the Board, in a position to contribute to the success of the Corporation.

**"Market Price"** means, solely with respect to the terms "Exercise Price", (a) if the Shares are listed on only one Stock Exchange, the volume weighted average trading price per Share on such Stock Exchange during the five (5) Trading Days immediately preceding the Grant Date; (b) if the Shares are listed on more than one Stock Exchange, the fair market value as determined in accordance with paragraph (a) above for the primary Stock Exchange on which the Shares are listed, as determined by the Board; and (c) if the Shares are not listed for trading on a Stock Exchange, a price which is determined by the Board in good faith to be the fair market value of the Shares in compliance with the Code Section 409A.

**"Separation From Service"** means a "separation from service" as defined under Section 409A of the Code.

**"Specified Employee"** means a U.S. Taxpayer who meets the definition of a "specified employee" under Section 409A of the Code.

#### **Change in Control Treatment**

Notwithstanding anything to the contrary, if the Change in Control event does not constitute a change in ownership or effective control of the Corporation or a change in ownership of a substantial portion of the assets of the Corporation under Section 409A of the Code, and if the Corporation determines any award under the Plan constitutes deferred compensation subject to Section 409A of the Code that is otherwise payable upon a Change in Control, then as determined in the sole discretion of the Board, the Vesting of such award may be accelerated as of the effective date of the Change in Control, but the Corporation shall pay such award on its original payment date or such earlier date as will not result in the imposition of taxes or penalties under Section 409A of the Code.

#### **Compliance with Section 409A**

The intent of the parties is that payments and benefits under this Plan comply with Section 409A of the Code, to the extent subject thereto, and accordingly, to the maximum extent permitted, this

Plan shall be interpreted and administered to be in compliance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated or additional taxation and/or tax penalties under Section 409A of the Code, a Participant shall not be considered to have had a Termination unless the Participant would be considered to have incurred a Separation from Service. Each amount to be paid or benefit to be provided under this Plan shall be construed as a separate identified payment for purposes of Section 409A of the Code, and any payments described in this Plan that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid additional or accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Plan (or any other plan or agreement of the Corporation) during the six (6) month period immediately following the Specified Employee's Separation from Service on account of such Separation from Service shall instead be paid on the first Business Day after the date that is six (6) months following the Specified Employee's Separation from Service (or death, if earlier). The Plan and any award agreements issued thereunder may be amended in any respect deemed by the Board to be necessary in order to preserve compliance with Section 409A of the Code. The Corporation makes no representation that any or all of the payments described in this Plan will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. Each Participant shall be solely responsible for the payment of any taxes and penalties incurred under Section 409A of the Code.

