

CONVERTIBLE BONDS SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT (the "Agreement") is made on March 6, 2020 (the "Subscription Date").

BY AND BETWEEN:

- (1) DUAL INDUSTRIAL CO., LTD, a company with limited liability established under the laws of the Republic of Korea and having its registered office located at [REDACTED] Address information redacted (the "Company"); and
- (2) ONCOQUEST INC., a corporation established under the laws of the Province of Alberta, Canada and having its head office located at 8123 Roper Road NW, Edmonton, Alberta T6E 6S4, Canada (the "Subscriber").

The Company and the Subscriber may hereinafter be referred to individually as a "Party" and collectively as the "Parties".

WHEREAS,

- (A) The Company agrees to issue and allot to the Subscriber convertible bonds, carrying the rights, privileges, restrictions, terms, and conditions as are described in the attached Schedule A hereto, in the aggregate principal amount of FORTY-EIGHT BILLION TWELVE MILLION (48,012,000,000KRW) KOREAN WON (the "Bonds"); and
- (B) The Subscriber agrees to subscribe for all of the Bonds upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions

- 1.1 In this Agreement (including the Recitals) and in the Schedules, the following expressions shall, except where the context otherwise requires, have the following meanings:

"Aggregate Principal Amount"

means the amount that comprises FORTY-EIGHT BILLION TWELVE MILLION

(48,012,000,000KRW) KOREAN WON, and which amount shall be the total price of the Bonds issued pursuant to this Agreement;

"Business Day" means any day (other than Saturdays and Sundays) on which the banks in Republic of Korea and the Province of Alberta, Canada are generally open for business;

"Closing" means the closing of the issuance and subscription of the Bonds;

"Closing Date" means the date of the issuance of the Bonds in accordance with the terms of this Agreement;

"Korea" means Republic of Korea;

"%" means percent.

1.2. References to ordinances and to statutory provisions shall be construed as references to those ordinances or statutory provisions as respectively amended or re-enacted or as their application is modified by other provisions (whether before or after the date hereof) from time to time and to any orders, regulations, instruments or subordinate legislation made under the relevant ordinances or statutory provisions thereof and shall include references to any repealed ordinance or any provisions of which they are re-enactments (whether with or without modification).

1.1. References to "persons" include references to individuals, firms, companies, corporations and unincorporated bodies of persons and vice versa, and reference to a certain gender shall include any gender.

1.2. Reference herein to "Clauses," "Recitals" and "Schedules" are to the clauses and recitals in and schedules to this Agreement (unless the context otherwise requires) and the Schedules shall be deemed to form part of this Agreement.

1.3. The headings are inserted for convenience only and shall not affect the construction of this Agreement.

- 1.4 Unless the context requires otherwise, in this Agreement words importing the singular include the plural and vice versa and words importing a gender or the neuter include both genders and the neuter.
- 1.5 The expressions the "Company" and the "Subscriber" shall, where the context permits, include their respective successors, personal representatives, executors, administrators, estates and permitted assigns.

2. ISSUANCE AND SUBSCRIPTION

- 2.1 Subject to the terms of this Agreement, the Company agrees to issue the Bonds to the Subscriber at Closing, and the Subscriber agrees to subscribe for the Bonds in exchange for the Aggregate Principal Amount. The Parties may agree to an offset arrangement.
- 2.2 The details of the rights, privileges, restrictions, terms and conditions of the Bonds appear in Schedule A, attached hereto and made a part hereof.

3. COVENANTS

- 3.1 On or prior to the Closing Date, the Company shall:
- (a) deliver to the Subscriber a copy of the resolutions of the Company's Board of Directors approving the issuance of the Bonds in accordance with the terms of this Agreement and the Company's execution of this Agreement and any other documents that are required by the terms of this Agreement to be executed; and
 - (b) fulfil all conditions precedent to Closing.
- 3.2 On or prior to the Closing Date, the Subscriber shall deliver to the Company a copy of the resolution of the Subscriber's Board of Directors approving execution of this Agreement and any other documents that are required by the terms of this Agreement to be executed.

4. CLOSING

The Closing of the issuance and subscription of the Bonds shall take place at the office of the Company on the Closing Date or at such other place and time as shall be agreed by the Company and the Subscriber, as follows:

- (a) The Subscriber shall make full payment of the Aggregate Principal Amount;

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and

- (b) in lieu of actual delivery or delivery by mail of the Bonds certificate, the transfer of the Bonds shall be registered on the electronic registration ledger of the Korea Securities Depository (the "KSD") pursuant to the Republic of Korea *Act on Electronic Registration of Stocks, Bonds, etc.*

5. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

5.1 The Company hereby represents, warrants to and undertakes in favour of the Subscriber that:

- (a) the Company has the requisite power, authority and capacity to execute and deliver, has taken all actions necessary to authorize the execution and delivery of, and to perform the obligations under, this Agreement;
- (b) this Agreement when duly executed will constitute valid and legally binding and enforceable obligations of the Company, enforceable against the Company in accordance with the terms herein, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws of general application affecting enforcement of creditors' rights generally, and (ii) the availability of the remedy of specific performance or injunctive or other forms of equitable relief, at the discretion of the governmental authority before which any proceeding therefor may be brought;
- (c) the Company has been duly incorporated and is validly existing under the laws of Republic of Korea, is not in receivership or liquidation, has not taken any steps to enter into liquidation and no petition has been presented for its winding up, and there are no grounds on which a petition or application could be based for the winding up or appointment of a receiver thereof; and
- (d) at Closing, the Bonds will be properly issued by the Company, in compliance with all securities and corporate laws and regulations of Republic of Korea, bearing the rights, privileges, restrictions, terms, and conditions as are described in the attached Schedule A hereto.

5.2 The Subscriber hereby represents, warrants to and undertakes in favour of the Company that:

- (a) the Subscriber has the requisite power, authority and capacity to execute and

deliver, has taken all actions necessary to authorize the execution and delivery of, and to perform the obligations under, this Agreement; and

(b) this Agreement when duly executed will constitute valid and legally binding and enforceable obligations of the Subscriber, enforceable against the Subscriber in accordance with the terms herein, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws of general application affecting enforcement of creditors' rights generally, and (ii) the availability of the remedy of specific performance or injunctive or other forms of equitable relief, at the discretion of the governmental authority before which any proceeding therefor may be brought.

6. INDEMNITY

Subject to the other provisions herein, each Party (the "Indemnifying Party") will indemnify and hold harmless the other Party (the "Indemnified Party") for, and will pay to the Indemnified Party the amount of any losses, liabilities, claims, damages and expenses, including reasonable attorneys' fees but excluding indirect, special or consequential damages (collectively, the "Damages"), actually incurred by the Indemnified Party and arising from any breach by the Indemnifying Party of (i) any representation or warranty made by the Indemnifying Party in this Agreement, or (ii) any covenant or obligation undertaken by the Indemnifying Party in this Agreement.

7. TERMINATION

7.1 This Agreement shall be effective as of the Subscription Date and shall be valid unless terminated, and the subscription contemplated hereby may be abandoned at any time prior to the Closing Date:

- (a) by mutual written consent of the Parties;
- (b) by the Subscriber if the Company has materially breached any of the representations and warranties in Clause 5.1 or materially breaches any of its other representations, warranties and obligations hereunder; or
- (c) by the Company, if the Subscriber has materially breached any of the representations and warranties in Clause 5.2, or materially breaches any of its other representations, warranties and obligations hereunder.

8. NOTICES

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8.1 Each notice, demand, consent or other communication given or made under this Agreement shall be in writing and shall be delivered or sent to relevant Party at its address, email address or fax number set out below (or such other address, email address or fax number as the addressee has by five days' prior written notice specified to the other Party):

To the Company:

Address:

Fax:

Email:

Attn:

Contact Information Redacted

To the Subscriber:

Address: 8123 Roper Road NW, Edmonton, Alberta T6E 6S4, Canada

Fax: +1-780-416-0324

Email: madi@oncoquestinc.com

Attn: Chief Executive Officer

8.2 Any notice, demand, consent or other communication so addressed to the relevant Party shall be deemed to have been delivered (a) if given or made by letter, when actually delivered to the relevant address; or (b) if given or made by email or fax, when dispatched with a confirmed transmission report.

8.3 All notices, demands, consents and other communications pursuant to this Agreement shall be in the English language.

9. **MISCELLANEOUS**

9.1 **Confidentiality:** Each Party undertakes that it will not (save as otherwise provided in this Agreement) make any announcement or release or disclose any information in connection with this Agreement or disclose the identity of any of the Parties unless (a) such disclosure is required by regulatory authorities or by law; (b) such disclosure is to their respective professional advisers under a duty of confidentiality; and (c) the other Parties shall have given their respective consents to such disclosure which consents may not be unreasonably withheld and may be given either generally or in a specific case or cases and may be subject to conditions.

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- 9.2 Tax and Expenses: Except as otherwise expressly provided in this Agreement, each party shall be responsible for and bear its own taxes, fees, costs and expenses imposed, levied, assessed or incurred on or by the party for or in connection with the negotiation, preparation, execution and performance of this Agreement.
- 9.3 Headings: The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of any provision of this Agreement.
- 9.4 Waiver: No failure or delay by the Subscriber in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. Without limiting the foregoing, no waiver by the Subscriber of any breach by the Company of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof and any forbearance or delay by the Subscriber in exercising any of its rights hereunder shall not be construed as a waiver thereof.
- 9.5 Severability: If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement will nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto will negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible. Any term or provision of this Agreement held invalid, illegal or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid, illegal or unenforceable.
- 9.6 Survival: All of the representations, warranties, covenants and agreements made by the Parties in this Agreement or pursuant hereto in any certificate, instrument, or document shall survive the consummation of the transactions described herein, and may be fully and completely relied upon by the Company and the Subscriber, as the case may be, notwithstanding any investigation heretofore or hereafter made by any of them or on behalf of any of them, and shall not be deemed merged into any instruments or agreements delivered at Closing or thereafter. Notwithstanding anything in this Clause 9.6 which may be to the contrary, any claim, demand, or cause of action with respect to a breach of any warranty or representation made in this Agreement must be made or brought, if at all, within two (2) years after the Closing Date or the period permitted under applicable law, whichever is earlier.

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- 9.7 Time of the Essence: Time is of the essence of this Agreement, both as regards the dates and periods specifically mentioned and as to any dates and periods which may, by agreement in writing between or on behalf of the Company and the Subscriber, be substituted for them.
- 9.8 No Assignment: No Party shall be entitled to assign its rights or delegate its duties hereunder to any other person without the prior written consent of the other Party hereto.
- 9.9 Whole Agreement: This Agreement (together with any documents referred to herein) constitutes the whole agreement between the Parties and it is expressly declared that no variations hereof shall be effective unless made in writing.
- 9.10 Amendment: Unless otherwise specifically provided for in this Agreement, any provision of this Agreement may be amended, supplemented or waived only if the Parties agree in writing.
- 9.11 Counterparts: This Agreement may be executed in one or more counterparts each of which shall be binding on each Party by whom or on whose behalf it is so executed, but which together shall constitute a single instrument. For the avoidance of doubt, this Agreement shall not be binding on any Party unless and until it shall have been executed by or on behalf of all persons expressed to be the Parties. This Agreement shall be considered properly executed and delivered by a Party if executed by that Party and transmitted by electronic means and shall be equally effective as delivery of a manually executed counterpart hereof. The Parties acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each waives the right to raise any defence based on the delivery of this Agreement by electronic means.
- 9.13 No Third Party Beneficiaries: This Agreement shall be binding upon and inure to the benefit of each Party hereto and their respective representatives, heirs, successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit, claim or remedy of any nature whatsoever under or by reason of this Agreement.
- 9.14 Interpretation:
- (a) The Parties hereto have participated jointly in the negotiation and drafting of this Agreement. If any ambiguity or question of intent or interpretation arises, this

Agreement will be construed as if drafted jointly by the Parties and no presumptions or burden of proof will arise favoring or disfavoring any Party by virtue of authorship of any provisions of this Agreement.

(b) All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the context may require.

(c) The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

9.15 **Governing Law:** This Agreement shall be governed by, and construed in accordance with the Law of Republic of Korea without any reference to any conflict or choice of laws, rules or principles. Each of the Parties hereby agrees that any action or proceeding arising out of or relating to this Agreement or the breach or threatened breach of this Agreement may be commenced and prosecuted in the Seoul Central District Court, and consents and submits to the exclusive jurisdiction of the Seoul Central District Court in respect of any such proceeding.

9.16 **Language:** This Agreement may be translated into or summarized in the Korean language. In the event of any conflict between the Korean translation or summary and this English version of this Agreement, this English version shall prevail.

[Signatures/seals appear on the following page]

IN WITNESS WHEREOF, this Agreement has been entered into on the date first written above.

The Company



Signature Information Redacted

The Subscriber

SIGNED by
Ragupathy Madiyalakan, CEO *[Signature]*
for and on behalf of
ONCOQUEST INC.
in the presence of:
[Signature]
[Signature]



Schedule A

CONDITIONS OF THE BONDS

DUAL INDUSTRIAL CO., LTD. (the "Company") agrees to issue on or before March 14, 2020 (the "Issue Date") in favour of OncoQuest Inc. (the "Bondholder") convertible bonds, carrying the rights, privileges, restrictions, terms, and conditions as are described below (the "Conditions").

1. Issue Price and Principal Amount.

The issue price and original principal amount of the Bonds shall be FORTY-EIGHT BILLION TWELVE MILLION (48,012,000,000KRW) KOREAN WON.

The total principal amount of the Bonds to be electronically registered shall be FORTY-EIGHT BILLION TWELVE MILLION (48,012,000,000KRW) KOREAN WON.

The Bonds shall be comprised of fourteen (14) individual bonds with the respective values ascribed as follows (the "Individual Bonds"):

- Four (4) of the Individual Bonds shall each have a value of Ten Billion (10,000,000,000 KRW) KOREAN WON
- One (1) of the Individual Bonds shall have a value of Five Billion (5,000,000,000 KRW) KOREAN WON
- Two (2) of the Individual Bonds shall each have a value of One Billion (1,000,000,000 KRW) KOREAN WON
- One (1) of the Individual Bonds shall have a value of Five Hundred Million (500,000,000 KRW) KOREAN WON
- Five (5) of the Individual Bonds shall each have a value of One Hundred Million (100,000,000 KRW) KOREAN WON
- One (1) of the Individual Bonds shall have a value of Twelve Million (12,000,000 KRW) KOREAN WON

2. Interest Rate.

The interest rate and the yield to maturity of the Bonds shall be respectively 0% per annum.

3. Maturity.

The maturity date of the Bonds ("Due Date") shall be March 14, 2050, provided that the

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Company shall have an option to extend the Due Date by giving notice of such extension to the Bondholder.

4. CONVERSION

(A) Conversion Period and Conversion Price

(i) The right of the Bondholder to convert any of the Bonds into Common Shares is hereinafter called the "Conversion Right". Subject to and upon compliance with the provisions of this Condition, the Conversion Right attaching to any of the Bonds may be exercised, at the option of the holder thereof, at any time beginning from one (1) year after the Issue Date (the "Conversion Period"). The number of Common Shares to be issued will be determined by dividing the principal amount of the Bonds deposited for conversion by the Conversion Price in effect at the Conversion Date (both as hereinafter defined).

(ii) If more than one Bonds shall be deposited for conversion at any one time by the same holder, the number of Common Shares to be issued upon conversion thereof will be calculated on the basis of the aggregate principal amount of the Bonds so deposited. Fractions of Common Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. Notwithstanding the foregoing in the event of a consolidation or reclassification of Common Shares by operation of law or otherwise occurring after the Issue Date, the Company will upon conversion of the Bonds pay in cash a sum equal to such portion of the principal amount of the Bonds or Bonds deposited for conversion as corresponds to any fraction of a Common Share not issued as aforesaid if such sum exceeds 2,000KRW.

(iii) Subject to the exception provided for in Paragraph (C) of this Condition 4, the price at which Common Shares will be issued upon conversion shall be Two Thousand One Hundred and Nineteen (2,119KRW) Korean Won (the "Conversion Price"), and there will be no adjustment to the Conversion Price as a result of any fluctuations in the price of the stock.

(B) Procedure for Conversion

(i) To exercise the Conversion Right attaching to any of the Bonds, the holder thereof must complete, execute and deposit at his own expense during normal business hours at the specified office of the Company at which the Bonds is deposited for conversion two duplicate originals of a notice of conversion (each a "Conversion Notice") in the form obtainable from the specified office of the Company.

Handwritten initials: L.C.H.

(ii) As a condition precedent to conversion, the Bondholder must pay all stamp, issue, registration or similar taxes and duties (if any) arising on conversion in Korea or payable in Korea consequent upon the issue or delivery of Common Shares or any other securities, property or cash to or to the order of a person other than the converting Bondholder, other than any taxes or duties payable in Korea by the Company in respect of the issue of the Common Shares on conversion. Except as aforesaid, the Company will pay the expenses arising on the issue of Common Shares on conversion of the Bond. The date on which the Conversion Notices (in duplicate originals) relating thereto are deposited with the Company or, if later, on which all conditions precedent to the conversion thereof are fulfilled is hereinafter referred to as the "Deposit Date" applicable to such Bonds and must fall during the Conversion Period. The request for conversion shall be deemed to have been made at 23:59 hours (Seoul time) on the Deposit Date applicable to the relevant Bonds (herein referred to as the "Conversion Date" applicable to such Bond). The Conversion Notices once deposited may not be withdrawn without the consent in writing of the Company.

(iii) With effect from the Conversion Date, the Company will deem the converting Bondholder or, in cases permitted under Korean law, any other person named for that purpose in the relevant Conversion Notices to have become the holder of record of the number of Common Shares to be issued upon such conversion.

(iv) Thereafter the Company will, subject to any applicable limitations then imposed by Korean laws and regulations, according to the request made in the relevant Conversion Notices, as soon as practicable, submit to the KSD a request for conversion of the electronically registered Bond.

(C) Exception to non-adjustment the Conversion Price

In the event of an increase in the price of the stock arising as a result of a capital reduction or stock-for-stock merger, the Conversion Price shall be adjusted upward, provided that such adjustment is made pro rata to accord with the adjustment ratio resulting from the reduction of capital or stock-for-stock merger. In the event of an decrease in the price of the stock arising as a result of a stock split or stock dividend, the Conversion Price shall be adjusted downward, provided that such adjustment is made pro rata to accord with the adjustment ratio resulting from the stock split. While the Bonds remain outstanding, the Company agrees not to effect any stock dividend, other than for the purposes of a stock split.

5. REDEMPTION

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Unless previously converted the Company will redeem the Bonds at 100 per cent of the principal amount outstanding on the Due Date.

6. CALL OPTION

The Company may exercise its sole right of redeeming a portion or all of its Bonds. In case the Company redeems the bonds in accordance with this Clause 6, the Company shall notify the Bondholder in writing stating the number of Bonds to be redeemed by the Company, and such amount shall be paid to the Bondholder within 30 days of such notice.

7. EVENTS OF DEFAULT

- (A) The Bondholder may give notice to the Company that the Bonds are immediately due and repayable if any of the following events occurs and is continuing (each an "Event of Default"):
- (i) a default is made in the payment of principal in respect of any of the Bonds when and as the same ought to be paid in accordance with this Conditions; or
 - (ii) a default is made by the Company in the performance or observance of any condition or provision contained in the Bonds and on its part to be performed or observed and (if remediable) such default continues for the period of thirty (30) days following the service by the Bondholder on the Company of notice requiring such default to be remedied; or
 - (iii) a resolution is passed or an order of a court of competent jurisdiction is made that the Company be wound up or dissolved otherwise than for the purposes of or pursuant to and followed by a consolidation, amalgamation merger or reconstruction the terms of which shall have previously been approved in writing by the Bondholder; or
 - (iv) the Company (a) stops payment (within the meaning of Korean or any other applicable bankruptcy law) or (b) (otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or voluntary solvent winding up or dissolution as is referred to in (iii) above) ceases or through an official action of the Board of Directors of the Company threatens to cease to carry on business or (c) is unable to pay its debts as and when they fall due; or
 - (v) proceedings shall have been initiated against the Company under the Debtor Rehabilitation and Insolvency Act or analogous insolvency law (or the equivalent of such proceedings under the laws, rules and regulations of any other applicable jurisdiction) and such proceedings shall not have been

discharged or stayed within a period of thirty (30) days; or

- (vi) the Company shall initiate or consent to proceedings in relation to itself under the Debtor Rehabilitation and Insolvency Act or make an assignment for the benefit of, or enter into any composition with, its creditors.

Upon the occurrence of any Event of Default, the Bonds will immediately become due and repayable, without further action or formality, at the sum of the principal amount of the Bonds from (and including) the date of the occurrence of such an Event of Default to (but excluding) the date of actual payment in respect of such Bonds under these Conditions.

[End of Bonds Conditions.]