UNDERWRITING AGREEMENT

July 23, 2021

Spectral Medical Inc.
135 - 2 The West Mall
Toronto, Ontario
M9C 1C2

Attention: Chris Seto
Chief Executive Officer & Chief Financial Officer

Dear Mesdames/Sirs:

Upon the terms and conditions set forth herein, Paradigm Capital Inc., as sole Canadian Underwriter and bookrunner ("**Paradigm**" or the "**Lead Underwriter**") and A.G.P./Alliance Global Partners, as the exclusive U.S. placement agent for the Offering ("**AGP**", and together with Paradigm, the "**Underwriters**"), hereby severally and neither jointly, nor jointly and severally, agree to purchase from Spectral Medical Inc. (the "**Corporation**") and the Corporation hereby agrees to issue and sell 23,530,000 units of the Corporation (the "**Initial Units**") at a price of $0.425 per Initial Unit (the "**Offering Price**"), for aggregate gross proceeds of $10,000,250. Each Initial Unit shall consist of one Common Share (as defined herein) (each an "**Initial Share**" and collectively the "**Initial Shares**") and one-half of one Common Share purchase warrant of the Corporation (each whole Common Share purchase warrant being an "**Initial Warrant**" and collectively, the "**Initial Warrants**").

The Corporation also hereby grants to the Underwriters an option (the "**Over-Allotment Option**"), which may be exercised by the Underwriters in whole or in part in the Underwriters' sole discretion and without obligation, to offer and sell as Underwriters up to an additional 3,529,500 units of the Corporation (the "**Additional Units**") at the Offering Price, for the purposes of covering the Underwriters' over-allocation position, if any, and for market stabilization purposes. Each Additional Unit shall consist of one Common Share (each an "**Additional Share**" and collectively the "**Additional Shares**") and one-half of one Common Share purchase warrant of the Corporation (each whole Common Share purchase warrant being an "**Additional Warrant**" and collectively the "**Additional Warrants**"). The Over-Allotment Option may be exercised by the Underwriters: (i) to acquire Additional Units at the Offering Price; (ii) to acquire Additional Shares at a price of $0.397 per Additional Share; (iii) to acquire Additional Warrants at a price of $0.055 per Additional Warrant; or (iv) to acquire any combination of Additional Units, Additional Shares and Additional Warrants, so long as the aggregate number of Additional Shares and Additional Warrants that may be issued under such Over-Allotment Option does not exceed 3,529,500 Additional Shares and 1,764,750 Additional Warrants. The Over-Allotment Option shall be exercisable by the Underwriters, in whole or in part, and from time to time, on or before 5:00 p.m. (Toronto time) for a period of 30 days from and including the Closing Date (as defined herein), by giving written notice to the Corporation and all as more particularly described in Section 13 hereof.

Unless the context otherwise requires or unless otherwise specifically stated, all references in this Agreement to: (i) the "**Offered Units**" shall mean, collectively, the Initial Units and the Additional Units; (ii) the "**Shares**" shall mean, collectively, the Initial Shares and the Additional Shares; (iii) the "**Warrants**" shall mean, collectively, the Initial Warrants and the Additional Warrants; and (iv) the offering of the Offered Units is hereinafter referred to as the "**Offering**".

The Warrants shall be created and issued pursuant to a warrant indenture (the "**Warrant Indenture**") to be dated as of the Closing Date between the Corporation and Computershare Trust Company of Canada, in its capacity as warrant agent thereunder (the "**Warrant Agent**"). Each Warrant will entitle the holder thereof to acquire one Common Share (each a "**Warrant Share**" and collectively the "**Warrant Shares**") at a price of $0.50 per Warrant Share, for a period of 36 months from the Closing Date. The description of the Warrants herein is a summary only and is subject to the specific attributes and detailed provisions of the Warrants to be set forth in the Warrant Indenture. In case of any inconsistency between the description of the Warrants in this Agreement and the terms of the Warrants set forth in the Warrant Indenture, the provisions of the Warrant Indenture will govern.

The Corporation has advised that (i) it has filed the Base Shelf Prospectus (as hereinafter defined) in each of the Qualifying Jurisdictions and the Ontario Securities Commission, as principal regulator, has issued a decision document in respect thereof under NP 11-202 (as hereinafter defined) on behalf of itself and the other Securities Regulators (as hereinafter defined), and (ii) it is qualified to file the Prospectus Supplement (as hereinafter defined) in each of the Qualifying Jurisdictions as a supplement to the Base Shelf Prospectus in accordance with the requirements of NI 44-101 and NI 44-102 (each as hereinafter defined).

The Underwriters may arrange for substituted purchasers (the "**Substituted Purchasers**") for the Offered Securities (as hereinafter defined), where such Substituted Purchasers are resident in the Selling Jurisdictions (as hereinafter defined). Each Substituted Purchaser shall purchase the Offered Securities at the Offering Price, and to the extent that Substituted Purchasers purchase Offered Securities, the obligations of the Underwriters to do so will be reduced by the number of Offered Securities purchased by the Substituted Purchasers from the Corporation.

The Underwriters shall be entitled to appoint a selling group consisting of other registered dealers (each a "**Selling Firm**" and together, the "**Selling Group**") in accordance with applicable Securities Laws for the purposes of arranging for Substituted Purchasers of the Offered Securities. Any investment dealer who is a member of any selling group formed by the Underwriters pursuant to the provisions of this Agreement or with whom the Underwriters have a contractual relationship with respect to the Offering, if any, shall agree with the Underwriters to comply with the covenants and obligations given by the Underwriters herein. The fee payable to any such investment dealer who is a member of any selling group shall be for the account of the Underwriters.

The parties acknowledge that the Offered Units have not been and will not be registered under the U.S. Securities Act (as defined herein) or the securities laws of any state of the United States and may not be offered or sold in the United States, or to or for the account or benefit of, U.S. Persons (as hereinafter defined), except pursuant to exemptions from the registration requirements of the U.S. Securities Act and the applicable laws of any state of the United States in the manner specified in this Agreement and pursuant to the representations, warranties, acknowledgments, agreements and covenants of the Corporation, the Underwriters and the U.S. Affiliate (as defined herein) contained in Schedule "C" hereto, which forms a part of this Agreement. All actions to be undertaken by the Underwriters in the United States or to, or for the account or benefit of, U.S. Persons in connection with the matters contemplated herein, shall be undertaken through a U.S. Affiliate.

In consideration of the services to be rendered by the Underwriters in connection with the Offering, the Corporation agrees to pay to the Underwriters the Commission (as defined herein) and to issue and deliver to the Underwriters the Broker Warrants in such amounts and with such terms as set out in Section 15 hereof. The obligation of the Corporation to pay the Commission and issue and deliver the Broker Warrants shall arise at the Closing Time (as defined herein) and the Commission and the Broker Warrants shall be fully earned by the Underwriters upon the completion of the Offering.

TERMS AND CONDITIONS

The following are additional terms and conditions of this Agreement between the Corporation and the Underwriters:

Section 1 Definitions and Interpretation

(1) Where used in this Agreement or in any amendment hereto, the following terms have the following meanings, respectively:

"**Act**" means the *Business Corporations Act* (Ontario);

"**Additional Securities**" means, collectively, the Additional Units, the Additional Shares and the Additional Warrants;

"**Additional Shares**" has the meaning ascribed thereto in the second paragraph of this Agreement;

"**Additional Units**" has the meaning ascribed thereto in the second paragraph of this Agreement;

"**Additional Warrants**" has the meaning ascribed thereto in the second paragraph of this Agreement;

"**affiliate**" and "**associate**" have the respective meanings given to them in the Securities Act;

"**Agreement**" means this underwriting agreement, as it may be amended from time to time;

"**Annual Financial Statements**" means audited consolidated statement of financial position of the Corporation as at December 31, 2020 and 2019, statement of profit or loss, statement of changes in shareholders' equity and statement of cash flows for the years ended December 31, 2020 and 2019, in each case including the notes thereto and the Auditor's reports thereon;

"**Applicable Laws**" means all applicable laws, rules, regulations, policies, statutes, ordinances, codes, orders, consents, decrees, judgments, decisions, rulings, awards, or guidelines, the terms and conditions of any Authorizations, including any judicial or administrative interpretation thereof, of any Governmental Entity, and including all Health Care Laws;

"**Auditors**" means PricewaterhouseCoopers LLP;

"**Authorizations**" means any and all regulatory licences, approvals, permits, consents, certificates, clearances, grants, exemptions, marks, notifications, orders, registrations, filings or other authorizations of or issued by any Governmental Entity, including under Applicable Laws;

"**Base Shelf Prospectus**" means the (final) short form base shelf prospectus of the Corporation dated July 3, 2020, including all of the Documents Incorporated by Reference therein;

"**Baxter Distribution Agreement**" means the exclusive distribution agreement between the Corporation and Baxter International Inc., dated February 3, 2020;

"**Birch Hill**" means, collectively, Birch Hill Equity Partners IV, LP, Birch Hill Equity Partners (US) IV, LP and Birch Hill Equity Partners (Entrepreneurs) IV, LP;

"**Birch Hill Agreement**" means the private placement agreement between Birch Hill and the Corporation dated June 10, 2014;

"**Broker Securities**" means collectively, the Broker Warrants and the Broker Shares;

"**Broker Share**" has the meaning ascribed to such term in Section 15 of this Agreement;

"**Broker Warrant Certificates**" means the certificates representing the Broker Warrants and containing the terms thereof;

"**Broker Warrants**" has the meaning ascribed to such term in Section 15 of this Agreement;

"**Business**" means the business and operations of the Corporation and its Subsidiaries relating to the advancement of therapeutic options for sepsis and septic shock, and as further described in the Prospectus;

"**Business Assets**" means all tangible and intangible property and assets owned (either directly or indirectly), leased, licensed, loaned, operated or being developed or used, including all vendor lists, customer lists, Intellectual Property owned by the Corporation or the Subsidiaries, Licensed IP, real property, fixed assets, facilities, equipment, inventories and accounts receivable, by the Corporation and the Subsidiaries in connection with the Business, including the Facility;

"**Business Day**" means a day, other than a Saturday, a Sunday or any other day on which the principal chartered banks located in Toronto, Ontario are not open for business;

"**Canadian Securities Laws**" means, collectively, all applicable securities laws of each of the Qualifying Jurisdictions and the respective rules and regulations under such laws together with applicable published instruments, notices and orders of the securities regulatory authorities in the Qualifying Jurisdictions, including the rules and policies of the TSX;

"**CDS**" means CDS Clearing and Depository Services Inc.;

"**Claims**" has the meaning ascribed thereto in Section 14 of this Agreement;

"**Closing**" means the completion of the issuance and sale of the Offered Units pursuant to the Offering as contemplated by this Agreement;

"**Closing Date**" means the day on which the Closing shall occur, being July 27, 2021 or such earlier or later date as may be agreed to in writing by the Corporation and the Lead Underwriter, each acting reasonably;

"**Closing Time**" means 8:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as may be agreed to by the Corporation and the Lead Underwriter;

"**Commission**" has the meaning ascribed thereto in Section 15 of this Agreement;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation**" has the meaning ascribed thereto in the first paragraph of this Agreement;

"**cGMPs**" means: (i) current Good Manufacturing Practices required by the FDA and as set forth from time to time by the FDA Act or FDA regulations, policies or guidelines (including without limitation 21 CFR 210 and 211) in effect at a particular time governing the manufacture, handling, storage and control of the Corporation's finished products in the United States, and (ii) the corresponding

requirements of each applicable Governmental Entity;

"**CMDR**" means the *Medical Device Regulations* (Canada) issued on May 7, 1998 pursuant to the *Food and Drugs Act* (Canada), and last amended on December 16, 2019;

"**COVID-19 Outbreak**" has the meaning set out in Section 8(kk);

"**Debt Instrument**" means any and all agreements, notes, loans, bonds, debentures, indentures, promissory notes, mortgages, guarantees, security agreements or other instruments evidencing indebtedness (demand or otherwise), but excluding accounts payable in the ordinary course, for borrowed money or other liability to which the Corporation or its Subsidiaries are a party or to which their property or assets are otherwise bound and which is material to the Corporation on a consolidated basis;

"**Dialco**" means Dialco Medical Inc., a corporation existing under the Act;

"**DIMI**" mean's the Corporation's renal replacement instrument aimed at the home hemodialysis market;

"**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S;

"**distribution**" means distribution or distribution to the public, as the case may be, for the purposes of Canadian Securities Laws;

"**Documents Incorporated by Reference**" means all financial statements, related management's discussion and analysis, management information circulars, annual information forms, material change reports or other documents filed by the Corporation, whether before or after the date of this Agreement, that are required to be incorporated by reference into the Prospectus under applicable Canadian Securities Laws;

"**EAA Product**" means the Corporation's endotoxin activity assay, a rapid in-vitro diagnostic test that measures negative bacterial cell wall (endotoxin) activity in a whole blood sample;

"**EMA**" means the European Medicines Agency of the European Union (previously known as the European Agency for the Evaluation of Medicinal Products (EAEMP) and as the European Medicines Evaluation Agency (EMEA)), or any successor agency, and, when appropriate, any corresponding regulatory agency in any other jurisdiction;

"**Employee Plans**" has the meaning ascribed thereto in Section 8(sss) of this Agreement;

"**Environmental Laws**" means all Applicable Laws relating to the environment or environmental issues (including air, surface, water and stratospheric matters), pollution or protection of human health and safety, including without limitation relating to the release, threatened release, manufacture, processing, blending, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials;

"**EUPHRATES Study**" means the Corporation's study to determine the safety and efficacy of the PMX Product in subjects with septic shock who have high levels of endotoxin, completed in June 2017;

"**Facility**" means the Corporation's cGMP, FDA and Health Canada compliant facility located in

Toronto, Ontario where the Corporation manufactures its EAA Product and proprietary biological reagents, and completes the testing and packaging of SAMI and DIMI;

"**FDA**" means the United States Food and Drug Administration;

"**FDA Act**" means the Federal Food, Drug and Cosmetic Act, 21 U.S.C. §§ 301 et seq., as amended from time to time;

"**Financial Statements**" means, collectively, (i) the Annual Financial Statements, and (ii) the Interim Financial Statements;

"**Government Official**" means (i) any official, officer, employee or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Entity, (ii) any salaried political party official, elected member of political office or candidate for political office, or (iii) any company, business, enterprise or other entity owned or controlled by any person described in the foregoing clauses;

"**Governmental Entity**" means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, authority, commission, board, bureau or agency, domestic or foreign, including the FDA, Health Canada, and the EMA (or any supranational, foreign, federal, state, provincial, or local governmental or regulatory authority performing functions similar to those performed by the FDA, Health Canada or EMA), (b) subdivision, agent, commission, board, or authority of any of the foregoing, (c) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing, or (d) any stock exchange or securities regulatory authority;

"**Hazardous Materials**" means chemicals, fluids, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products;

"**Health Canada**" means the Canadian Federal Department known as Health Canada, or any successor agency thereto, and its divisions, including the Therapeutic Products Directorate and the Health Products and Food Branch Inspectorate;

"**Health Care Laws**" means (i) the FDA Act; (ii) the *Canada Health Act* (Canada), R.S.C., 1985, c. C-6, including its provincial counterparts; (iii) the *Criminal Code* (Canada) R.S.C., 1985, c. C-46; (iv) the *Food and Drugs Act* (Canada) R.S.C., 1985, c. F-27; (v) U.S. Health Insurance Portability and Accountability Act of 1996; (vi) Medicare, Medicaid, and other similar reimbursement programs; and (vii) all applicable supranational, foreign, federal, state, provincial, and local laws and regulations relating to: (a) fraud and abuse; (b) the licensure or regulation of healthcare providers, suppliers, professionals, facilities or payors; (c) the provision of, or payment for, health care services, items or supplies; (d) patient health care; (e) quality, safety certification and accreditation standards and requirements; (f) the billing, coding or submission of claims or collection of accounts receivable or refund of overpayments; (g) the practice of medicine and other health care professions or the organization of medical or professional entities; (h) fee-splitting prohibitions; (i) requirements for maintaining the tax-exempt status of the Corporation or any of the Subsidiaries; (j) charitable trusts or charitable solicitation laws; (k) health planning or rate-setting laws, including laws regarding certificates of need and certificates of exemption; (l) certificates of operations and authority; (m) the provision of free or discounted care or services; (n) the manufacturing, development, testing, labelling, marketing, advertising, promotion, or distribution of medical devices; (o) the billing, payment, or reimbursement of or for medical devices or medical procedures involving those devices; (p) kickbacks; (q) referrals; (r) the hiring of employees or acquisition of services or supplies from those

who have been excluded from government health care programs; and (s) quality, safety, privacy, security, licensure or any other aspect of providing medical devices;

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board;

"**including**" means including but not limited to;

"**Indemnified Party**" or "**Indemnified Parties**" have the meanings ascribed thereto in Section 14 of this Agreement;

"**Indemnitor**" has the meaning ascribed thereto in Section 14 of this Agreement;

"**Initial Shares**" has the meaning ascribed thereto in the first paragraph of this Agreement;

"**Initial Units**" has the meaning ascribed thereto in the first paragraph of this Agreement;

"**Initial Warrants**" has the meaning ascribed thereto in the first paragraph of this Agreement;

"**Intellectual Property**" means collectively, as applicable, and whether registered or unregistered: (i) all domestic and foreign patent rights, issued patents, patent applications, patent disclosures, registrations; (ii) copyrights (including performance rights) to any original works of art or authorship, including source code and graphics, which are fixed in any medium of expression, including copyright registrations and applications therefor; (iii) any and all common law or registered trade-mark rights, trade names, business names, trade-marks, proposed trade-marks, certification marks, service marks, distinguishing marks and guises, logos, slogans, goodwill, domain names and any registrations and applications therefor; (iv) confidential know-how, show-how, and other confidential information, trade secrets, including improvements, processes and methods; (v) any and all industrial design rights, industrial designs, design patents, industrial design or design patent registrations and applications therefor; (vi) any and all integrated circuit topography rights, integrated circuit topographies and integrated circuit topography applications; (vii) any reissues, re-examinations, divisions, continuations, continuations-in-part, renewals, improvements, translations, derivatives, modifications and extensions of any of the foregoing, (viii) any other industrial, proprietary or intellectual property rights, anywhere in the world; and (ix) proprietary computer software (including but not limited to data, data bases and documentation);

"**Interim Financial Statements**" means the unaudited condensed interim consolidated financial statements of the Corporation as at and for the three months ended March 31, 2021, together with the notes thereto;

"**Investigational Device Exemption**" means an exemption approved by an institutional review board, or by the FDA if the study involves a significant risk device, to permit a device that is the subject of a clinical study to be used in order to collect safety and effectiveness data required to support a premarket approval application or a premarket notification submission to the FDA;

"**Leased Premises**" means approximately 9,000 square feet of office, manufacturing and laboratory space located at 135 The West Mall, Unit 2, Toronto, Ontario M9C 1C2, and any and all other premises which are material to the Corporation or any Subsidiary, and which the Corporation or any Subsidiary occupies as a tenant;

"**Licensed IP**" means the Intellectual Property that is used for the conduct of the Business and that is owned by any Person other than the Corporation or any Subsidiary;

"**Liens**" means any encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, restrictive covenant, right of use or any other right or claim of any kind or nature whatever which affects ownership or possession of, or title to, any interest in, or right to use or occupy such property or assets;

"**Losses**" has the meaning ascribed thereto in Section 14 of this Agreement;

"**Marketing Material**" means the template version of the indicative term sheet dated July 20, 2021, filed on SEDAR in connection with the Offering, and as amended and re-filed on July 21, 2021, each as filed and delivered by the Corporation in accordance with NI 41-101 in the Qualifying Jurisdictions;

"**marketing materials**" has the meaning ascribed thereto in NI 41-101;

"**Material Adverse Effect**" means any event, change, fact, or state of being (i) which could reasonably be expected to have a significant and adverse effect on the business, affairs, capital, operation, properties, permits, assets, liabilities (absolute, accrued, contingent or otherwise) or condition (financial or otherwise) of the Corporation and the Subsidiaries considered on a consolidated basis, or (ii) that would result in any of the Offering Documents containing a misrepresentation;

"**Material Agreement**" means any and all contracts, commitments, agreements (written or oral), instruments, leases or other documents, including licences, sub-licenses, supply agreements, manufacturing agreements, distribution agreements, sales agreements, strategic partnership or alliance agreements or any other similar type agreements, to which the Corporation or the Subsidiaries is a party or to which their Business Assets are otherwise bound, and which is material to the Corporation and the Subsidiaries on a consolidated basis;

"**material change**", "**material fact**" and "**misrepresentation**" have the respective meanings ascribed thereto in the Securities Act;

"**Medicaid**" means the medical assistance program established by Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), as the same may be amended, modified or supplemented from time to time, and all requirements of law governing such program;

"**Medicare**" means the health insurance program for the aged and disabled established by Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), as the same may be amended, modified or supplemented from time to time, and all requirements of law governing such program;

"**MI 11-102**" means Multilateral Instrument 11-102 – *Passport System*;

"**Money Laundering Laws**" has the meaning ascribed to such term in Section 7(ee) of this Agreement;

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

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

"**NI 44-102**" means National Instrument 44-102 – *Shelf Distributions*;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*;

"**NP 11-202**" means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

"**Offered Securities**" means, collectively, the Shares, the Warrants and the Warrant Shares;

"**Offered Units**" has the meaning ascribed thereto in the third paragraph of this Agreement;

"**Offering**" has the meaning ascribed thereto in the third paragraph of this Agreement;

"**Offering Documents**" means, collectively, the Base Shelf Prospectus, the Prospectus Supplement, the U.S. Placement Memorandum, any Supplementary Material and any amendment thereto;

"**Offering Price**" has the meaning ascribed thereto in the first paragraph of this Agreement;

"**Over-Allotment Option**" has the meaning ascribed thereto in the second paragraph of this Agreement;

"**Passport System**" means the system for review of prospectus filings set out in MI 11-102 and NP 11-202;

"**Person**" includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;

"**PMX Product**" means the Corporation's licensed therapeutic hemoperfusion device that removes endotoxin from the bloodstream;

"**Principal Regulator**" means the Ontario Securities Commission;

"**Prospectus**" means, collectively, the Base Shelf Prospectus, as supplemented by the Prospectus Supplement and any Supplement Material, in each case including all of the Document Incorporated by Reference therein;

"**Prospectus Supplement**" means the prospectus supplement of the Corporation to be dated on or about July 23, 2021, including all of the Documents Incorporated by Reference;

"**provide**" in the context of sending or making available marketing materials to a potential investor of Offered Units has the meaning ascribed thereto under Canadian Securities Laws, whether in the context of a "road show" (as defined in NI 41-101) or otherwise;

"**Public Disclosure Record**" means, collectively, all of the documents which have been filed on www.sedar.com by or on behalf of the Corporation with the Securities Commissions pursuant to the requirements of Canadian Securities Laws since January 1, 2018;

"**Purchasers**" means, collectively, each of the purchasers of Offered Units, including the Substituted Purchasers, in connection with the Offering and including, if applicable, the Underwriters;

"**Qualified Institutional Buyers**" means "qualified institutional buyers" as such term is defined in

Rule 144A(a)(1) of the U.S. Securities Act;

"**Qualifying Jurisdictions**" means all of the provinces of Canada, except for Québec;

"**Regulation S**" means Regulation S under the U.S. Securities Act;

"**Repayment Event**" means any event or condition which gives the holder of any Debt Instrument (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a material portion of such indebtedness by the Corporation or its subsidiaries;

"**Reporting Jurisdictions**" means all of the provinces of Canada;

"**Rule 144A**" means Rule 144A under the U.S. Securities Act;

"**SAMI**" means the Corporation's proprietary continuous renal replacement therapy instrument, utilizing an open platform design, specifically intended to assist health care providers to deliver therapy safely and efficiently;

"**Securities Act**" means the *Securities Act* (Ontario);

"**Securities Commissions**" means the securities regulatory authority in each of the Qualifying Jurisdictions;

"**Securities Laws**" means, collectively, Canadian Securities Laws, U.S. Securities Laws and all applicable securities laws, rules, regulations, policies and other instruments promulgated by the Securities Regulators in any of the other Selling Jurisdictions, including the TSX;

"**Securities Regulators**" means, collectively, the securities regulators or other securities regulatory authorities in the Selling Jurisdictions;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;

"**Selling Firm**" and "**Selling Group**" has the meaning ascribed thereto in the sixth paragraph of this Agreement;

"**Selling Jurisdictions**" means, collectively, each of the Qualifying Jurisdictions, the United States and any other jurisdictions outside of Canada and the United States as mutually agreed to by the Corporation and the Underwriters;

"**Shares**" has the meaning ascribed thereto in the third paragraph of this Agreement;

"**Subsidiaries**" means collectively, Dialco, Spectral Diagnostics (US) Inc. (existing under the laws of the State of Delaware) and Spectral Medical (US) Inc. (existing under the laws of the State of Delaware), each wholly-owned subsidiaries of the Corporation, and "**Subsidiary**" means any one of them;

"**subsidiary**" or "**subsidiaries**" has the meaning ascribed thereto in the Securities Act;

"**Substituted Purchasers**" has the meaning ascribed thereto in the sixth paragraph of this Agreement;

"**Supplementary Material**" means, collectively, any amendment to or amendment and restatement of

any of the Base Shelf Prospectus or the Prospectus Supplement, any supplement to the U.S. Placement Memorandum, and any amended or supplemental prospectus or ancillary material required to be prepared and filed with any of the Securities Regulators under Canadian Securities Laws, in connection with the distribution of the Offered Securities, the Over-Allotment Option and the Broker Warrants, including any Documents Incorporated by Reference;

"**Subsequent Disclosure Documents**" means any financial statements, management's discussion and analysis, management information circulars, annual information forms, material change reports, marketing materials or other documents issued or approved by the Corporation after the date of this Agreement that are required to be incorporated by reference in any Offering Document;

"**Taxes**" has the meaning ascribed to such term in Section 7(cc) of this Agreement;

"**TIGRIS Study**" means the Corporation's prospective, multicenter, randomized, open-label study to evaluate the efficacy and safety of the PMX Product in addition to standard medical care for patients with endotoxemic septic shock, and a follow-on to the EUPHRATES Study;

"**Toray**" means Toray Industries Inc.;

"**Toray Agreement**" means the private placement agreement between Toray and the Corporation dated March 7, 2013;

"**Toray Supply Agreement**" means the license and material supply agreement between the Corporation and Toray dated March 6, 2009, as amended November 18, 2010, June 10, 2014 and May 29, 2019;

"**to the knowledge of the Corporation**" means the actual knowledge of the current Chief Executive Officer and Chief Financial Officer of the Corporation, after reasonable enquiry (which for greater certainty shall exclude any due diligence reports or materials prepared by the Underwriters or their counsel);

"**Transaction Documents**" means, collectively, this Agreement, the Warrant Indenture and the Broker Warrant Certificates;

"**Transfer Agent**" means Computershare Investor Services Inc., in its capacity as transfer agent and registrar in respect of the Common Shares at its principal office in Toronto, Ontario;

"**TSX**" means the Toronto Stock Exchange;

"**Underwriters**" has the meaning ascribed thereto in the first paragraph of this Agreement;

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

"**U.S. Affiliate**" means the United States broker-dealer affiliate of the Underwriters;

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder;

"**U.S. Person**" means a "U.S. person" as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act;

"**U.S. Placement Memorandum**" means the U.S. private placement memorandum delivered together with the applicable Prospectus to offerees and Purchasers of the Offered Units in the United States, including any Supplementary Material thereto;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

"**U.S. Securities Laws**" means all applicable securities legislation in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, including the rules and policies of the United States Securities and Exchange Commission and any applicable state securities laws;

"**Warrant Agent**" has the meaning ascribed thereto in the fourth paragraph of this Agreement;

"**Warrant Indenture**" has the meaning ascribed thereto in the fourth paragraph of this Agreement;

"**Warrant Shares**" has the meaning ascribed thereto in the fourth paragraph of this Agreement; and

"**Warrants**" has the meaning ascribed thereto in the third paragraph of this Agreement.

(2) Any reference in this Agreement to a section or subsection shall refer to a section or subsection of this Agreement.

(3) All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case required and the verb shall be construed as agreeing with the required word and/or pronoun.

(4) Any reference in this Agreement to $ or to "dollars" shall refer to the lawful currency of Canada, unless otherwise specified.

(5) The following are the schedules to this Agreement, which schedules are deemed to be a part hereof and are hereby incorporated by reference herein:

Schedule "A" Subsidiaries
Schedule "B" Details of Outstanding Convertible Securities
Schedule "C" Compliance with United States Securities Laws

Section 2 Attributes of the Offered Securities

(1) The Offered Securities to be sold by the Corporation hereunder shall have the rights, privileges, restrictions and conditions that conform in all material respects to the rights, privileges, restrictions and conditions set forth in the Offering Documents

(2) The Underwriters severally agree not to offer or sell the Offered Securities in such a manner as to require registration of any of them or the filing of a prospectus or any similar document under the laws of any jurisdiction outside the Qualifying Jurisdictions and to distribute or offer the Offered Securities only in the Selling Jurisdictions and in accordance with all applicable Securities Laws. The Corporation and each Underwriter acknowledge that, in the event of any offer or resale of the Offered Securities in the United States or to, or for the account or benefit of, U.S. Persons, the Underwriters acting through their U.S. Affiliates will offer and resell the Offered Securities in the United States or to, or for the account or benefit of, U.S. Persons only to Qualified Institutional Buyers pursuant to Rule 144A, all in accordance with Schedule "C", which terms and conditions are hereby incorporated by reference in and shall form a part of this Agreement, provided that no such action on the part of the Underwriters or their U.S. Affiliates shall in any way oblige the Corporation to register any Offered

Securities under the U.S. Securities Laws or the Securities Laws of any state of the United States. The Underwriters and the Corporation acknowledge and agree that notwithstanding anything contained in this Agreement, AGP is not registered to sell securities in any Qualifying Jurisdiction and that the Prospectus will not qualify any Offered Securities sold to investors in any jurisdiction outside of Canada by AGP pursuant to the Offering.

(3) Notwithstanding the foregoing, an Underwriter will not be liable to the Corporation under this section or Schedule "C" with respect to a violation by another Underwriter or its U.S. Affiliate(s) of the provisions of this section or Schedule "C" if the Underwriter or its U.S. Affiliate, as applicable, is not itself also in violation.

Section 3 Certain Obligations of the Corporation

(1) As soon as practicable after the execution of this Agreement, the Corporation will prepare and file the Prospectus Supplement, including copies of any documents or information incorporated by reference therein, with the Securities Commissions, and in any event no later than 11:00 p.m. (Toronto time) on July 23, 2021, and will have taken all other steps and proceedings that may be necessary in order to qualify the Offered Securities for distribution in each of the Qualifying Jurisdictions by the Underwriters and other persons who are registered in a category permitting them to distribute the Offered Securities under Canadian Securities Laws and who comply with Canadian Securities Laws.

(2) Until the distribution of the Offered Securities has been completed, the Corporation will permit the Underwriters and their counsel to participate fully in the preparation of, and to approve the form of, the Prospectus Supplement, review any Documents Incorporated by Reference therein and to conduct all due diligence investigations that they reasonably require in order to fulfil their obligations as Underwriters under Canadian Securities Laws and in order to enable them to responsibly execute the certificate in the Prospectus Supplement required to be executed by them.

(3) Until the distribution of the Offered Securities has been completed, the Corporation will promptly take or cause to be taken all additional steps and proceedings that from time to time may be required under Canadian Securities Laws to continue to qualify the Offered Securities for distribution in the Qualifying Jurisdictions or in the event that the Offered Securities have, for any reason, ceased to so qualify, to again so qualify the Offered Securities and to ensure that the Offered Securities are freely tradable in the Qualifying Jurisdictions, except for a trade that is a control distribution (within the meaning of Canadian Securities Laws).

(4) Until the distribution of the Offered Securities has been completed, the Corporation will provide to the Underwriters and their counsel reasonable access during normal business hours to the officers, employees, facilities, books and records of the Corporation and its Subsidiaries in order to conduct all due diligence which the Underwriters may reasonably require to conduct in order to fulfill their obligations as Underwriters and in order to enable the Underwriters to execute the certificate in the Prospectus Supplement required to be executed by them. During such period, the Corporation will make available its directors, officers, the Auditors to answer any questions which any of the Underwriters may have, acting reasonably, and to participate in one or more due diligence sessions to be held prior to the Closing Time.

Section 4 Distribution of the Offered Securities, Marketing Materials and Certain Obligations of the Underwriters

(1) During the course of the distribution of the Offered Securities by or through the Underwriters, the Underwriters will offer and sell the Offered Securities to the public only in those jurisdictions where they may be lawfully offered for sale or sold and in compliance with Canadian Securities Laws. The Underwriters will not solicit offers to purchase or sell the Offered Securities so as to require registration thereof or filing of a prospectus, registration statement or similar document with respect

thereto, or that will result in the Corporation being subject to continuous disclosure or similar obligations under the laws of any jurisdiction (other than the Qualifying Jurisdictions), including the United States. The Underwriters may, however, offer and sell the Offered Securities outside Canada, where they may be lawfully sold on a basis exempt from the prospectus and registration requirements or similar requirements of any such jurisdictions.

(2) The Underwriters will use their reasonable best efforts to complete, and to cause the Selling Firms to complete, the distribution of the Offered Securities as promptly as possible and the Lead Underwriter will promptly notify the Corporation in writing of the completion of the distribution of the Offered Securities. After the Closing Time and in any event no later than 30 days following the Closing Date, the Lead Underwriter will provide the Corporation with such information as it may require with respect to the proceeds realized in each of the Qualifying Jurisdictions from the distribution of the Offered Securities for the purpose of payment of filing fees and as to distribution of the Offered Securities for the purposes of listing the Common Shares on the TSX.

(3) For the purposes of this Section 4, the Underwriters will be entitled to assume that the Offered Securities are qualified for distribution in any Qualifying Jurisdiction where a receipt or similar document for the Base Shelf Prospectus has been obtained from the applicable Securities Regulator and the Prospectus Supplement filed.

(4) In connection with the distribution of the Offered Securities:

(a) The Corporation may prepare, in consultation with the Lead Underwriter, and approve in writing, prior to the time the marketing materials are provided to potential investors, a template version of any of the marketing materials that the Corporation and the Lead Underwriter agree will be provided by the Underwriters to any potential investor; such marketing materials shall comply with Canadian Securities Laws and be acceptable in form and substance to the Lead Underwriter, acting reasonably, and such template version shall be approved in writing by the Lead Underwriter, prior to the time the marketing materials are provided to potential investors;

(b) the Corporation shall file the template version of the marketing materials referred to in Section 4(4)(a) above, with the Securities Commissions as soon as reasonably practicable after the template version of the marketing materials is so approved in writing by the Corporation and by the Lead Underwriter and in any event on or before the day the marketing materials are first provided to any potential investor; and

(c) any comparables shall be redacted from the template version of the marketing materials in accordance with NI 41-101 prior to filing such template version with the Securities Regulators and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Securities Commissions by the Corporation as required by Canadian Securities Laws.

(5) Following the approvals and filings set forth in the foregoing paragraphs, the Underwriters may provide a limited-use version of the marketing materials to potential investors to the extent permitted by Canadian Securities Laws.

(6) The Corporation shall prepare and file a revised template version of any marketing materials provided to potential investors in connection with the Offering where required under Canadian Securities Laws, and the foregoing paragraphs above shall also apply to such revised template version.

(7) During the period of distribution of the Offered Securities, the Corporation and the Underwriters covenant and agree:

(a) not to provide any potential investor with any marketing materials unless a template version of such marketing materials has been or will be filed by the Corporation with the Securities Commissions on or before the day such marketing materials are first provided to any potential investor; and

(b) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Securities other than: (i) such marketing materials for which the template versions thereof have been approved and filed in accordance with the foregoing paragraphs, (ii) the Prospectus in accordance with this Agreement, and (iii) any standard term sheet (as defined in NI 41-101) approved in writing by the Corporation and the Lead Underwriter.

(8) No Underwriter will be liable under this Section 4 with respect to a default by any of the other Underwriters or a Selling Firm appointed by any of the other Underwriters.

Section 5 Filing of Prospectus Supplement, Deliveries and Related Matters

(1) Contemporaneously with or prior to the filing of the Prospectus Supplement or any Supplementary Material, as the case may be, the Corporation will deliver to the Underwriters (and in the case of Section 5(1(e) below the Corporation will use its commercially reasonable efforts to deliver), without charge:

(a) a copy of the Prospectus Supplement or any Supplementary Material, as the case may be, including all Documents Incorporated by Reference therein that have not been previously delivered to the Underwriters or that are not generally available on SEDAR, signed and certified as required by Canadian Securities Laws;

(b) a copy of the U.S. Placement Memorandum;

(c) one or more "long form" comfort letters from the Auditors dated the date of the Prospectus Supplement, in form and substance satisfactory to the Lead Underwriter, acting reasonably, addressed to the Underwriters and the board of directors of the Corporation relating to the verification of financial and accounting information and other numerical data of a financial nature contained in or incorporated or deemed to be incorporated by reference in the Prospectus and matters involving changes or developments since the respective dates as of which specified financial information is given in the Prospectus Supplement, and containing statements and information of the type ordinarily included in "comfort letters" to Underwriters in connection with an offering of securities, to a date not more than two (2) Business Days prior to the date of such letter;

(d) evidence satisfactory to the Underwriters of the conditional approval of the listing and posting for trading on the TSX of the Shares, the Warrant Shares, and the Broker Shares, subject only to the satisfaction by the Corporation of customary post-closing conditions imposed by the TSX in similar circumstances;

(e) a copy of any other document required to be filed by the Corporation in compliance with Canadian Securities Laws;

(2) In the event that the Corporation is required to prepare any Supplementary Material, the Corporation will also prepare and deliver promptly to the Underwriters copies of such Supplementary Material along with all Documents Incorporated by Reference therein that have not been previously delivered to the Underwriters. Any Supplementary Material will be in form and substance satisfactory to the Underwriters, acting reasonably. Concurrently with the delivery of any Supplementary Material, the Corporation will deliver to each of the Underwriters, with respect to such Supplementary Material,

documents similar to those referred to in Subsection (1)(e) above and to the extent that such Supplementary Material contains financial, accounting or statistical data, documents similar to those referred to in Subsection (1)(c) above.

(3) The Corporation will deliver without charge to the Underwriters, as soon as practicable, but in any event on the next Business Day after the filing of the Prospectus Supplement for deliveries to be made within Toronto, Ontario and on the second Business Day following filing of the Prospectus Supplement for deliveries to be made outside of Toronto, Ontario, and thereafter from time to time as requested by the Underwriters, as many commercial copies of the applicable Offering Documents as the Underwriters may reasonably request for the purposes contemplated hereunder and permitted by Securities Laws.

(4) Each delivery of the Prospectus by the Corporation to the Underwriters will constitute the consent of the Corporation to the use of such document, as applicable, in connection with the Offering and will constitute the representation and warranty of the Corporation to the Underwriters that, at the respective times of such delivery:

(a) all information and statements (except information and statements relating solely to the Underwriters and provided by the Underwriters in writing expressly for inclusion therein) contained therein:

(i) are true and correct in all material respects and contain no misrepresentation; and

(ii) constitute full, true and plain disclosure of all material facts relating to the Offered Securities and to the Corporation and its Subsidiaries considered as a whole;

(b) such document does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they were made (except statements or facts relating solely to the Underwriters and provided by the Underwriters expressly for inclusion therein); and

(c) such document complies with Canadian Securities Laws at the time filed and at the time when it is first sent or delivered to a purchaser or potential purchaser.

(5) Subject to compliance with Securities Laws, during the period commencing on the date hereof and until completion of the distribution of the Offered Securities, the Corporation will promptly provide to the Underwriters drafts of any press releases of the Corporation for review by the Underwriters prior to issuance, and shall obtain the prior approval of the Underwriters as to the content and form of any press release relating to the Offering prior to issuance, such approval not to be unreasonably withheld or delayed. If required by Securities Laws, any press release announcing or otherwise referring to the Offering disseminated in the United States shall comply with the requirements of Rule 135c under the U.S. Securities Act and any press release announcing or otherwise referring to the Offering disseminated outside the United States shall include an appropriate notation on each page as follows: "*Not for distribution to the U.S. news wire services, or dissemination in the United States*"; and (ii) the following (or similar) disclosure: "*The securities referred to in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States (as such term is defined in Regulation S under the U.S. Securities Act) absent such registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States.*"

Section 6 Material Change.

(1) During the period from the date of this Agreement to the completion of the distribution of the Offered Securities, the Corporation covenants and agrees with the Underwriters that it shall promptly notify the Underwriters in writing with full particulars of:

(a) any material change (actual, anticipated, contemplated or threatened) in respect of the Corporation and its Subsidiaries considered on a consolidated basis;

(b) any material fact in respect of the Corporation which has arisen or has been discovered and would have been required to have been stated in any of the Offering Documents had the fact arisen or been discovered on, or prior to, the date of such document; and

(c) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Offering Documents which change is, or may be, of such a nature as to render any statement in such Offering Document misleading or untrue in any material respect or which would result in a misrepresentation in the Offering Document or which would result in any of the Offering Documents not complying (to the extent that such compliance is required) with Canadian Securities Laws.

The Corporation shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Underwriters, acting reasonably, with all applicable filings and other requirements under Canadian Securities Laws as a result of such fact or change; provided that the Corporation shall not file any Supplementary Material or other document without first providing the Underwriters with a copy of such Supplementary Material or other document and consulting with the Underwriters with respect to the form and content thereof. The Corporation shall in good faith discuss with the Underwriters any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is or could be reasonable doubt whether written notice need be given under this Section 6.

(2) If during the period of distribution of the Offered Units there shall be any change in Canadian Securities Laws or other laws which results in any requirement to file Supplementary Material, the Corporation will promptly prepare and file such Supplementary Material with the appropriate Securities Commissions where such filing is required, provided that the Corporation shall have allowed the Underwriters and its counsel to participate in the preparation and review of any Supplementary Material.

(3) During the period from the date of this Agreement to the completion of the distribution of the Offered Units, the Corporation will notify the Underwriters promptly:

(a) when any supplement to any of the Offering Documents or any Supplementary Material shall have been filed;

(b) of any request by any Securities Commission to amend or supplement the Prospectus or for additional information;

(c) of the suspension of the qualification of the Offered Units or the Over-Allotment Option for offering, sale, issuance, or grant, as applicable, in any jurisdiction, or of any order suspending or preventing the use of the Offering Documents (or any Supplementary Material) or of the institution or, to the knowledge of the Corporation, threatening of any proceedings for any such purpose; and

(d) of the issuance by any Securities Commission or any stock exchange of any order having the effect of ceasing or suspending the distribution of the Offered Units or the trading in any securities of the Corporation, or of the institution or, to the knowledge of the Corporation,

threatening of any proceeding for any such purpose. The Corporation will use its reasonable best efforts to prevent the issuance of any such stop order or of any order preventing or suspending such use or such order ceasing or suspending the distribution of the Offered Units or the trading in any securities of the Corporation and, if any such order is issued, to obtain the lifting thereof at the earliest possible time.

Section 7 Regulatory Approvals.

The Corporation will make all necessary filings, obtain all necessary consents and approvals (if any) and pay all filing fees required to be paid in connection with the transactions contemplated by this Agreement. The Corporation will cooperate with the Underwriters in connection with the qualification of the Offered Units for offer and sale, the grant of the Over-Allotment Option and the issuance of the Broker Warrants under Canadian Securities Laws and in maintaining such qualifications in effect for so long as required for the distribution of the Offered Units, the Over-Allotment Option and the Broker Warrants.

Section 8 Representations and Warranties of the Corporation.

The Corporation represents and warrants to each of the Underwriters as follows, and acknowledges that each of them is relying upon such representations and warranties in connection with the purchase of the Offered Units:

General Matters

(a) *Good Standing of the Corporation*. The Corporation (i) has been duly incorporated under the Act and is up-to-date in all material corporate filings and in good standing under the Act; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets, including the Business Assets; and (iii) has all requisite corporate power and authority to create, issue and sell the Offered Securities and Broker Securities and to enter into and carry out its obligations under the Transaction Documents.

(b) *Good Standing and Ownership of Subsidiaries*. The Corporation's only direct subsidiaries are the Subsidiaries. Each of the Subsidiaries is duly incorporated or amalgamated, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets, including the Business Assets. The Corporation directly owns all of the outstanding shares of the Subsidiaries as disclosed in Schedule "A" hereto, and all such shares are legally and beneficially owned by the Corporation, free and clear of all Liens or demands of any kind whatsoever, and all of such shares have been duly authorized and validly issued and are outstanding as fully paid and non-assessable shares (or the equivalent legal concept in another jurisdiction) and no Person has any right, agreement or option, exercisable now or in the future, for the purchase from the Corporation of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of the Subsidiaries or any other security convertible into or exchangeable for any such shares. The only Subsidiary that is material to the Corporation is Dialco, and the Corporation does not have any other Subsidiary which is material to it, or that carries on any business, or that holds any material assets or liabilities.

(c) *Equity Investees or Other Interests*. Other than the Subsidiaries, the Corporation does not currently have any equity or joint venture interest nor any investment or proposed investment in any Person which accounts for, or which is expected to account for, more than 5% of the assets, liabilities or revenues of the Corporation or which would otherwise be material to the business or affairs of the Corporation and the Subsidiaries taken as a whole. The Subsidiaries

do not currently have any equity or joint venture interest nor any investment or proposed investment in any Person which accounts for, or which is expected to account for, more than 5% of the assets, liabilities or revenues of the Subsidiaries or which would otherwise be material to the business or affairs of the Corporation and the Subsidiaries taken as a whole.

(d) *Carrying on Business*. The Corporation and each of the Subsidiaries is, in all material respects, conducting its business in compliance with all Applicable Laws of each jurisdiction in which its business is carried on and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its properties or assets or carries on business to enable its business to be carried on as now conducted or, proposed to be conducted and its properties and assets to be owned, leased and operated and all such Authorizations are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such Applicable Laws or Authorizations. Neither the Corporation nor any Subsidiary is aware of any legislation, or proposed legislation published by any Governmental Entity, which it anticipates will have a Material Adverse Effect.

(e) *No Proceedings for Dissolution*. No proceedings have been taken, instituted or, are pending for the dissolution, liquidation or winding up of the Corporation nor any Subsidiary.

(f) *Freedom to Compete*. Except as set forth in the Baxter Distribution Agreement, neither the Corporation nor any Subsidiary is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Corporation or any Subsidiary (i) to compete in any line of business, (ii) to transfer or move any of its assets or operations, or (iii) which would have a Material Adverse Effect.

(g) *Share Capital of the Corporation*. The authorized capital of the Corporation consists of an unlimited number of Common Shares of which, as of the close of business on July 22, 2021, 244,271,408 Common Shares were issued and outstanding as fully paid and non-assessable shares in the capital of the Corporation. The description of the attributes of the authorized and issued share capital of the Corporation as set out under the heading "Description of Securities Being Distributed" in the Prospectus is true and correct.

(h) *Share Capital of the Subsidiaries*. The authorized and outstanding share capital of the Subsidiaries as set out in Schedule "A" hereto is true and complete at the date hereof, and all of the shares are outstanding as fully paid and non-assessable.

(i) *Absence of Rights*. Except as (i) contemplated in the Toray Agreement and the Birch Hill Agreement, and (ii) referred to in Schedule "B" hereto, no Person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of the Corporation. The Offered Units, upon issuance, will not be issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Corporation. Toray has waived their pre-emptive rights in respect of the Offering. As of the date of this Agreement, Birch Hill has not waived their pre-emptive rights in respect of the Offering.

(j) *Stock Exchange Listing and Compliance*. The issued and outstanding Common Shares are listed and posted for trading on the TSX, and the TSX has conditionally approved the listing of the Shares, the Warrant Shares and the Broker Shares on the TSX, and the Corporation has not taken any action which would reasonably be expected to result in the delisting or suspension of the Common Shares on or from the TSX, and the Corporation is currently in compliance with the rules and policies of the TSX.

(k) *No Cease Trade Orders*. No order ceasing or suspending trading in the Common Shares or other securities of the Corporation or prohibiting the issuance or sale of the Offered Securities or the issuance of the Broker Securities has been issued by any regulatory authority which is continuing in effect, and to the knowledge of the Corporation, no proceedings for such purpose has been threatened or are pending.

(l) *Reporting Issuer Status*. The Corporation is a "reporting issuer", not included in a list of defaulting reporting issuers maintained by the securities commissions in the Reporting Jurisdictions. The Corporation has complied with its obligations to make timely disclosure of all material changes and material facts relating to it and there is no material change or material fact relating to the Corporation which has occurred and with respect to which the requisite news release has not been disseminated or material change report, as applicable, has not been filed with the securities regulators in the Reporting Jurisdictions.

(m) *No Voting Control or Operation Agreements.* The Corporation is not a party to any agreement, nor is the Corporation aware of any agreement currently in effect or being contemplated or negotiated, which in any manner affects the voting control of any of the securities of the Corporation or the management or operation of the Corporation.

(n) *Transfer Agent*. The Transfer Agent, at its principal office in Toronto, Ontario, has been duly appointed as the registrar and transfer agent in respect of the Common Shares.

(o) *Warrant Agent*. The Warrant Agent, at its principal office in Toronto, Ontario, has been duly appointed as the registrar and transfer agent in respect of the Warrants.

(p) *Material Agreements*. All Material Agreements have been disclosed in the Offering Documents, and each is valid, subsisting, in good standing and in full force and effect, enforceable in accordance with the terms thereof. The Corporation and each of the Subsidiaries has performed all obligations (including payment obligations) in a timely manner in all material respects under, and are in material compliance with all terms and conditions contained in each Material Agreement. Neither the Corporation nor any Subsidiary is in violation, breach or default nor has either received any notification from any party claiming that the Corporation or any Subsidiary is in violation, breach or default under any Material Agreement and no other party, to the knowledge of the Corporation, is in breach, violation or default of any term under any Material Agreement.

(q) *Absence of Debt Instruments*. The Corporation and the Subsidiaries are not party to any agreement, contract or commitment to create, assume or issue any Debt Instrument and neither the Corporation nor any Subsidiary has made any loans to, or guaranteed the obligations of, any Person.

(r) *Absence of Breach or Default*. Neither the Corporation nor any Subsidiary is in breach or default of, and the execution and delivery of the Transaction Documents and the performance by the Corporation of its obligations hereunder or thereunder, the issue and sale of the Offered Securities and the Broker Securities and the consummation of the transactions contemplated hereby and thereby do not and will not conflict with or result in a material breach or material violation of any of the terms of or provisions of, or constitute a default under, whether after notice or lapse of time or both, (A) any statute, rule or regulation applicable to the Corporation or the Subsidiaries, including Canadian Securities Laws; (B) the constating documents or resolutions of the directors (including of committees thereof) or shareholders of the Corporation and the Subsidiaries which are in effect at the date hereof; (C) any Material Agreement; or (D) any judgment, decree or order binding the Corporation, the Subsidiaries or the properties or assets of the Corporation or the Subsidiaries, and do not and will not result in

a Repayment Event or the creation or imposition of any Liens on any property or assets of the Corporation or the Subsidiaries, including the Business Assets.

(s) *No Actions or Proceedings.* There are no material claims (including product liability claims), actions, proceedings or investigations (whether or not purportedly by or on behalf of the Corporation) currently outstanding, or to the knowledge of the Corporation, threatened or pending, against the Corporation or the Subsidiaries at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any Governmental Entity. There are no judgments or orders against the Corporation or the Subsidiaries which are unsatisfied, nor are there any consent decrees or injunctions to which the Corporation or the Subsidiaries or their properties or assets are subject, or to the knowledge of the Corporation, that are threatened or pending.

(t) *Financial Statements*. The Financial Statements contain no misrepresentations and, present fairly, in all material respects, the consolidated financial position of the Corporation and the Subsidiaries, in each case as applicable, as at and for the periods then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of such entities. The Financial Statements have been prepared in accordance with IFRS, applied on a consistent basis throughout the periods involved and there has been no change in accounting policies or practices of the Corporation since March 31, 2021, other than as required by IFRS and as disclosed in the applicable Financial Statements.

(u) *No Material Changes*. Since the Annual Financial Statements, other than as disclosed in the Offering Documents:

(i) there has not been any material change in the assets, properties, affairs, prospects, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Corporation or any Subsidiary;

(ii) there has not been any material change in the capital stock or debt of the Corporation or any Subsidiary; and

(iii) the Corporation and each of the Subsidiaries has carried on its business in the ordinary course.

(v) *No Off-Balance Sheet Arrangements*. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) or liabilities of the Corporation or the Subsidiaries which are required to be disclosed and are not disclosed or reflected in the Financial Statements.

(w) *Internal Accounting Controls*. The Corporation and each of the Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(x) *Accounting Policies.* There has been no change in accounting policies or practices of the Corporation or any Subsidiary respectively since March 31, 2021, other than the adoption of certain additional IFRS measures as disclosed in the Financial Statements.

(y) *Independent Auditors*. The Auditors who reported on and certified the Financial Statements are independent public accountants as required by applicable Canadian Securities Laws, and there has not been any "reportable event" (within the meaning of NI 51-102) with respect to the present or, to the knowledge of the Corporation, any former auditor of the Corporation.

(z) *Purchases and Sales*. Neither the Corporation nor any Subsidiary has approved, entered into any agreement in respect of, or has any knowledge of:

(i) the purchase of any material property or any interest therein, or the sale, transfer or other disposition of any material property or any interest therein currently owned, directly or indirectly, by the Corporation or the Subsidiary whether by asset sale, transfer of shares, or otherwise;

(ii) the change of control (by sale or transfer of voting or equity securities or sale of all or substantially all of the assets of the Corporation or any Subsidiary or otherwise) of the Corporation or any Subsidiary; or

(iii) a proposed or planned disposition of Common Shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares.

(aa) *No Loans or Non-Arm's Length Transactions.* Neither the Corporation nor any Subsidiary is a party to any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any Person not dealing at arm's length with the Corporation or any Subsidiary.

(bb) *Dividends*. There is not, in the constating documents (or equivalent organizational or governing documents) or in any Material Agreement or other instrument or document to which the Corporation or any of the Subsidiaries is a party or otherwise bound, any restriction upon or impediment to, the declaration of dividends by the directors of the Corporation or any Subsidiary or the payment of dividends by the Corporation to the holders of the Common Shares or by any Subsidiary to the Corporation.

(cc) *Taxes*. All taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Corporation and the Subsidiaries have been paid. All tax returns, declarations, remittances and filings required to be filed by the Corporation or any Subsidiary have been filed with all appropriate Governmental Entities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of the Corporation, no examination of any tax return of the Corporation or any Subsidiary is currently in progress and there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by the Corporation or any Subsidiary, except where such examinations, issues or disputes, individually or collectively, would not have a Material Adverse Effect.

(dd) *Anti-Bribery Laws.* Neither the Corporation nor any Subsidiary nor, to the knowledge of the Corporation, any director, officer, employee, consultant, representative or Underwriters of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to the Corporation or the Subsidiaries, including but not limited to the *Corruption of Foreign Public Officials Act* (Canada), or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that

goes beyond what is reasonable and customary and/or of modest value: (X) to any Government Official, whether directly or through any other Person, for the purpose of influencing any act or decision of a Government Official in his or her official capacity; inducing a Government Official to do or omit to do any act in violation of his or her lawful duties; securing any improper advantage; inducing a Government Official to influence or affect any act or decision of any Governmental Entity; or assisting any representative of the Corporation or any Subsidiary in obtaining or retaining business for or with, or directing business to, any Person; or (Y) to any Person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Corporation nor any Subsidiary nor, to the knowledge of the Corporation, any director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Corporation or any Subsidiary, or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing, or (ii) made a voluntary, directed, or involuntary disclosure to any Governmental Entity responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any Person alleging non-compliance with any such laws.

(ee) *Anti-Money Laundering*. The operations of the Corporation and the Subsidiaries are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Entity (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or Governmental Entity or any arbitrator involving the Corporation or any Subsidiary with respect to the Money Laundering Laws is pending or, to the best knowledge of the Corporation, threatened.

(ff) *Directors and Officers.* None of the directors or officers of the Corporation or any Subsidiary are now, or have ever been, (i) subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a company or of a company listed on a particular stock exchange, or (ii) subject to an order preventing, ceasing or suspending trading in any securities of the Corporation or other company.

(gg) *Related Parties*. Except as disclosed in the Public Disclosure Record, none of the directors, officers, employees, consultants or advisors of the Corporation or any Subsidiary, any known holder of more than 10% of any class of shares of the Corporation, or any known associate or affiliate of any of the foregoing Persons or companies, has had any material interest, direct or indirect, in any material transaction within the previous two (2) years or any proposed material transaction with the Corporation or any Subsidiary which, as the case may be, materially affected, is material to or will materially affect the Corporation or any Subsidiary.

(hh) *Minute Books and Records*. The minute books and records of the Corporation and the Subsidiaries which the Corporation has made available to the Underwriters and their counsel, Cassels Brock & Blackwell LLP, in connection with their due diligence investigation of the Corporation and the Subsidiaries for the periods requested to the date of examination thereof are all of the minute books and all of the records of the Corporation and the Subsidiaries for such period and contain copies of all constating documents, including all amendments thereto, and all proceedings of securityholders and directors (and committees thereof) and are

complete in all material respects.

(ii) *Continuous Disclosure.* The Corporation is in compliance in all material respects with its continuous disclosure obligations under the securities laws of the Reporting Jurisdictions and, without limiting the generality of the foregoing, there has not occurred an adverse material change, financial or otherwise, in the assets, properties, affairs, prospects, liabilities, obligations (contingent or otherwise), business, condition (financial or otherwise), results of operations or capital of the Corporation or any subsidiary which has not been publicly disclosed and the information and statements in the Public Disclosure Record were true and correct as of the respective dates of such information and statements and at the time such documents were filed on SEDAR, do not contain any misrepresentations, and the Corporation has not filed any confidential material change reports which remain confidential as at the date hereof. The Corporation is not aware of any circumstances presently existing under which liability is or would reasonably be expected to be incurred under Part 16.1 – *Civil Liability for Secondary Market Disclosure* of the Act and analogous provisions under Canadian Securities Laws.

(jj) *Forward-Looking Information.* With respect to forward-looking information contained in the Prospectus, including for certainty the Documents Incorporated by Reference:

(i) the Corporation has a reasonable basis for the forward-looking information; and

(ii) all material forward-looking information is identified as such, and all such documents caution users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information, and accurately states the material factors or assumptions used to develop forward-looking information.

(kk) *COVID-19 Outbreak.* Except as disclosed in the Prospectus and except as mandated by or in conformity with the recommendations of a Governmental Entity, there has been no closure, suspension or material disruption to the operations of the Corporation and the Subsidiaries as a result of the novel coronavirus disease outbreak (the "**COVID-19 Outbreak**"). The Corporation and the Subsidiaries have put reasonable measures in place to ensure the safety of their employees as they continue to operate during the COVID-19 Outbreak.

(ll) *Full Disclosure*. All information relating to the Corporation and the Subsidiaries, and their business (including plans, projections, strategies and intentions), assets, properties and liabilities provided or made available to the Underwriters, including all financial, operational, technical, marketing and sales information provided or made available to the Underwriters, is true and correct in all material respects taken as a whole and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, in light of the circumstances under which they were made. The Corporation has not withheld from the Underwriters any material facts relating to the Corporation, the Subsidiaries or the Offering.

The Offering

(mm) *Compliance with Laws, Filings and Fees*. The Corporation has complied in all material respects with all Applicable Laws required to be complied with prior to the Closing Time in connection with the Offering. All filings and fees required to be made and paid by the Corporation pursuant to Securities Laws and Applicable Laws have been made and paid, other than customary post-closing notices or filings required to be submitted within the applicable

time frame pursuant to Securities Laws and any "blue sky laws" in the United States, as may be required in connection with the Offering.

(nn) *Corporation Short Form Eligible.* The Corporation is eligible to file a short form prospectus in each of the Qualifying Jurisdictions pursuant to applicable Canadian Securities Laws and on the date of and upon filing of the Prospectus Supplement there will be no documents required to be filed under the Canadian Securities Laws in connection with the distribution of the Offered Units that will not have been filed as required.

(oo) *Corporate Actions*. The Corporation has taken, or will have taken prior to the Closing Time, all necessary corporate action to: (i) authorize the execution, delivery and performance of the Transaction Documents; (ii) authorize the execution, delivery and filing, as applicable, of the Offering Documents; (iii) to validly create, issue and sell, as applicable, the Offered Securities; (iv) grant the Over-Allotment Option; and (v) validly create, issue and sell, as applicable, the Broker Securities.

(pp) *Valid and Binding Documents*. Each of the execution and delivery of the Transaction Documents and the performance of the transactions contemplated hereby and thereby have been authorized by all necessary corporate action of the Corporation and upon the execution and delivery thereof shall constitute valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with their respective terms, provided that enforcement thereof may be limited by bankruptcy, insolvency and other laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable and that enforceability may be limited by applicable laws in effect in the Province of Ontario.

(qq) *All Consents and Approvals*. All consents, approvals, permits, authorizations or filings as may be required under Securities Laws or by any Governmental Entity or third party (including under the terms of any Material Agreement) necessary for: (i) the execution and delivery of the Transaction Documents, (ii) the issuance, creation, sale and delivery, as applicable, of the Offered Securities and the Broker Securities and the grant of the Over-Allotment Option, and (iii) the consummation of the transactions contemplated hereby and thereby, have been made or obtained, as applicable, except: (A) those which have been obtained or those which may be required and shall be obtained prior to the Closing Time under the Securities Laws or the rules of the TSX, including in compliance with the Securities Laws regarding the distribution of the Offered Units and the Over-Allotment Option in the Qualifying Jurisdictions, and (B) such customary post-closing notices or filings required to be submitted within the applicable time frame pursuant to Securities Laws and any "blue sky laws" in the United States, as may be required in connection with the Offering.

(rr) *Validly Issued Shares.* The Shares have been, or prior to the Closing Time will be, duly and validly authorized for issuance and sale pursuant to this Agreement and when issued and delivered by the Corporation pursuant to this Agreement, against payment of the consideration therefor, will be validly issued as fully paid and non-assessable Common Shares.

(ss) *Validly Issued Warrants*. The Warrants have been or prior to the Closing Time will be, duly and validly created and authorized for issuance and when issued and delivered by the Corporation pursuant to this Agreement and the Warrant Indenture, the Warrants will be validly issued.

(tt) *Validly Issued Warrant Shares*. The Warrant Shares have been, or prior to the Closing Time will be, duly and validly authorized for issuance and, upon exercise of the Warrants in

accordance with the terms and conditions of the Warrant Indenture, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.

(uu) *Validly Issued Broker Warrants*. The Broker Warrants have been or prior to the Closing Time will be, duly and validly created and authorized for issuance and when issued and delivered by the Corporation pursuant to this Agreement and the Broker Warrant Certificates, the Broker Warrants will be validly issued.

(vv) *Validly Issued Broker Shares*. The Broker Shares have been, or prior to the Closing Time will be, duly and validly authorized for issuance and, upon exercise of the Broker Warrants in accordance with the terms and conditions of the Broker Warrant Certificates, the Broker Shares will be validly issued as fully paid and non-assessable Common Shares.

(ww) *Fees and Commissions*. Other than the Underwriters (or any members of its Selling Group) pursuant to this Agreement, there is no Person acting or purporting to act at the request of the Corporation who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or transactions contemplated herein.

(xx) *Entitlement to Proceeds*. Other than the Corporation, there is no Person that is or will be entitled to the proceeds of the Offering under the terms of any Material Agreement or other instrument or document (written or unwritten).

(yy) *No Significant Acquisitions.* The Corporation has not completed any "significant acquisition" nor is it proposing any "probable acquisitions" (within the meaning of such terms under NI 51-102) that would require the inclusion or incorporation by reference of any additional financial statements or *pro forma* financial statements in the Prospectus, or the filing of a "business acquisition report" (as defined under NI 51-102) pursuant to Canadian Securities Laws.

(zz) *Qualified Investments.* Subject to the assumptions, qualifications and limitations described under "Eligibility for Investment" in the Prospectus, the Offered Securities will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit-sharing plans, a registered disability savings plan and tax-free savings accounts.

(aaa) *U.S. Sales.* The Corporation makes the representations, warranties and covenants applicable to it in Schedule "C" attached hereto and acknowledges that the terms and conditions of the representations, warranties and covenants of the parties contained in Schedule "C" form part of this Agreement.

Business, Properties and Assets

(bbb) *Title to Business Assets*. The Corporation and/or any Subsidiary have good, valid and marketable title to and have all necessary rights in respect of all of their Business Assets in all material respects as owned, leased, licensed, loaned, operated, developed or used by them or over which they have rights, free and clear of any Liens, and no other rights or Business Assets are necessary for the conduct of the Business in all material respects as currently conducted or as proposed to be conducted. The Corporation knows of no claim or basis for any claim that might or could have a Material Adverse Effect on the rights of the Corporation or the Subsidiaries to use, transfer, lease, license, operate, develop, sell or otherwise exploit such Business Assets and, except as otherwise set out in the Toray Supply Agreement and the Baxter Distribution Agreement, the Corporation does not have any obligation to pay any commission, royalty, license fee or similar payment to any Person in respect thereof, and there

are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any Person to acquire any of the rights, title or interests in the Business Assets.

(ccc) *Compliance with Laws, Regulatory Approvals and Authorizations*. All operations of the Corporation and the Subsidiaries in respect of or in connection with the Business Assets or otherwise have been and continue to be conducted in accordance with best industry practices and in material compliance with all Applicable Laws, including all ethical standards applicable to the industries of the Corporation and the Subsidiaries and promulgated by applicable Governmental Entities. The Corporation and the Subsidiaries have obtained and are in compliance in all material respects with all Authorizations to permit them to conduct their Business as currently conducted or proposed to be conducted. All of the Authorizations issued to date are valid and in full force and effect and neither of the Corporation or the Subsidiaries has received any correspondence or notice from any Governmental Entity alleging or asserting material non-compliance with any Applicable Laws or Authorizations and the Corporation does not know of any basis for any such allegation or assertion. Neither the Corporation nor any of its Subsidiaries has received any written notice of proceedings relating to the revocation or modification of any such Authorizations or relating to a potential violation of or failure to comply with any Governmental Entity which, if the subject of any unfavourable decision, ruling or finding, individually or in the aggregate, would have a Material Adverse Effect; and neither the Corporation nor any of its Subsidiaries has received any correspondence, notice or request from any Governmental Entity, including, without limitation, notice that any one or more products or product candidates of the Corporation or any of its Subsidiaries failed to receive approval from any Governmental Entity for use for any one or more indications that, individually or in the aggregate, would have a Material Adverse Effect.

(ddd) *Research and Development*. All product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by the Corporation and the Subsidiaries in connection with the Business is being conducted in accordance with the Corporation's internal policies, guidelines and protocols, in all material respects, with all Applicable Laws and best industry practices applicable to the Business; all processes, procedures and practices, required in connection with such activities, are in place as necessary to satisfy the Corporation's internal policies, guidelines and protocols and are being complied with, in all material respects.

(eee) *Business Relationships*. All agreements with third parties in connection with the Business have been entered into and are being performed by the Corporation and the Subsidiaries, and, to the knowledge of the Corporation, by all other third parties thereto, in material compliance with their terms. There exists no actual or pending, or to the knowledge of the Corporation, any threatened termination, cancellation or limitation of, or any material adverse modification or material change in, the business relationship of the Corporation or the Subsidiaries, with any strategic or joint venture partner, supplier, wholesaler, manufacturer, service provider or customer, or any group thereof whose business with or whose purchases from or inventories, components or services provided to the Business of the Corporation or the Subsidiaries are individually or in the aggregate material to the assets, business, properties, operations or financial condition of the Corporation (on a consolidated basis), except where such termination, cancellation or limitation of, or any material adverse modification or material change, individually or in the aggregate, would not have a Material Adverse Effect. There exists no condition or state of fact or circumstances that would prevent the Corporation or the Subsidiaries from conducting such business with any such third parties in the same manner in all material respects as currently conducted or proposed to be conducted.

(fff) *Data Security*. The Corporation and each of the Subsidiaries has made back-ups of all material software and databases used by it and maintains such back-ups at a secure off-site location. The Corporation and each of the Subsidiaries have taken all reasonable steps (i) to maintain the integrity and security of its systems and network infrastructure in connection with their Business, and (ii) to protect the information technology and communication systems used in connection with their Business from contamination, corruption, computer viruses, firewall breaches, sabotage, hacking or other software routines or hardware components that would permit unauthorized access or the unauthorized disablement, theft or erasure of its information technology or communication systems or software. The Corporation and the Subsidiaries have disaster recovery and security plans and procedures in place and, to the knowledge of the Corporation, there have been no material unauthorized intrusions into, breaches of the security of, or unauthorized disablement, theft or erasure of, the information technology, communication systems or software used in connection with their Business.

(ggg) *Privacy Protection*. The Corporation and the Subsidiaries have security measures and safeguards in place, consistent with generally accepted industry practice and Applicable Laws, to protect all personal information and data they may collect related to the reaction and results of patients to treatment using the Corporation's products and that is also created, obtained or kept by any Person receiving access to any of such patient information and data from the Corporation or its Subsidiaries, or permitted by the Corporation or its Subsidiaries to use, sell, handle or in any way deal with, including, but not limited to, hospitals, research centres and clinics, subcontractors, bodies corporate, and physicians, from illegal or unauthorized access or use by them, their personnel or third parties, or access or use by them, their personnel or third parties in a manner that violates the privacy rights of such parties. The Corporation and the Subsidiaries have complied, in all material respects, with all privacy legislation under Applicable Laws, and none of them have collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by applicable privacy legislation, whether collected directly or from third parties, in an unlawful manner. The Corporation and the Subsidiaries have taken all reasonable steps to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse.

(hhh) *Product and Device Testing*. All forms of testing and investigation that have been sponsored by or otherwise been conducted by, on behalf of, or for the benefit of the Corporation or any Subsidiary in furtherance of product development and improvement in connection with the Business have been and, to the extent pending, are being conducted in accordance in all material respects with all Applicable Laws, and neither the Corporation nor its Subsidiaries has received any notices or other correspondence questioning the material compliance or acceptability of any such testing in any material respect to support regulatory filings. Such studies were, and are also being, conducted in accordance in all material respects with all Applicable Laws. All statements regarding or reference to studies, clinical evidence, and testing, performance or other product data (regardless of the source or sponsor) that are included in the Offering Documents are accurate and complete in all material respects and fairly and accurately present the subject information in all material respects, and each of the Corporation and its Subsidiaries has no actual knowledge of other data which are materially inconsistent with, or otherwise call into question, in any material respect such information described or referred to in the Offering Documents.

(iii) *Operation of Business*.

(i) all products of the Corporation, including, but not limited to, the PMX Product, EAA Product, SAMI, DIMI and any proprietary reagents, are being developed, manufactured,

tested, packaged, labeled, marketed, sold, distributed and/or commercialized in compliance with all Applicable Laws, including, but not limited to, those relating to investigational use, premarket notification, premarket approval, good clinical practices, good manufacturing practices, record keeping, filing of reports, and patient privacy and medical record security, to the extent applicable, except where such non-compliance, individually or in the aggregate, would not have a Material Adverse Effect; and the Corporation has submitted, directly or indirectly through a Subsidiary, to the FDA, or otherwise has in effect, an Investigational Device Exemption or amendment or supplement thereto for each clinical trial it has conducted or sponsored or is, or anticipates, conducting or sponsoring, including, but not limited to the EUPHRATES Study, the TIGRIS Study and the usability trial to demonstrate the safety and efficacy of DIMI for performing hemodialysis in the home environment, and all such submissions were in material compliance with Applicable Laws when submitted and no material deficiencies have been asserted by the FDA with respect to any such submission; and

(ii) all manufacturing facilities of the Corporation and its Subsidiaries, including the Facility, are operated in compliance with cGMP and CMDR (including compliance standards applicable to EMA medical devices), as applicable, except where such non-compliance, individually or in the aggregate, would not have a Material Adverse Effect.

(jjj) *Clinical Studies.* All pre-clinical and clinical trials conducted by, or on behalf of, the Corporation or any of its Subsidiaries, or in which the Corporation or any of its Subsidiaries has participated, or anticipates participating in, that are described in the Offering Documents, including the EUPHRATES Study, the TIGRIS Study, and the usability trial to demonstrate the safety and efficacy of DIMI for performing hemodialysis in the home environment, or the results of which are referred to in the Offering Documents, if any, are the only pre-clinical and clinical trials currently being conducted, or that have been conducted, by or on behalf of the Corporation and its Subsidiaries. All such pre-clinical and clinical trials conducted, supervised or monitored by, or on behalf of, the Corporation or any of its Subsidiaries have been conducted in compliance with all Applicable Laws relating to good clinical practice and good laboratory practice requirements, except where the failure to so comply, individually or in the aggregate, would not have a Material Adverse Effect. Neither the Corporation nor any of its Subsidiaries has received any notices or correspondence from any Governmental Entity requiring the termination, suspension, delay or modification of any pre-clinical or clinical trials conducted by, or on behalf of, the Corporation or any of its Subsidiaries or in which the Corporation or any of its Subsidiaries has participated that are described in the Offering Documents, if any, or the results of which are referred to in the Offering Documents.

(kkk) *Debarment and Disqualification.* Neither the Corporation nor any of its affiliates, nor, to the Corporation's knowledge, any of their respective officers, directors, subcontractors, agents, principals, or employees (collectively, "**Spectral Parties**") is or has ever been debarred, excluded from participating in any health care programs, violated or caused a violation of any health care fraud and abuse or false claims statute or regulation, been subject to potential sanctions (via a warning letter, notice of initiation or disqualification proceeding, opportunity of explaining or by any other means) or otherwise disqualified or suspended from performing a clinical study or subject to any restrictions or sanctions by a Governmental Entity or research ethic boards with respect to the performance of a clinical study or scientific or clinical investigations. To the Corporation's knowledge, no Spectral Party has employed (or used any contractor or consultant that employs) any Person who is: (i) debarred under any Applicable Law or under investigation by a Governmental Entity, for debarment or investigation thereunder, (ii) included on the U.S. Department of Health and Human Service's List of Excluded Individuals/Entities or the U.S. General Services Administration's Lists of Parties

Excluded from Federal Procurement and Non-Procurement Programs; or (iii) included on a list of clinical researchers found guilty of misconduct maintained or administered by Health Canada or the EMA. The Corporation further represents and warrants that it has no knowledge of any circumstances which may affect the accuracy of the foregoing representations and warranties, including any investigations of or debarment proceedings against the Spectral Parties by any Governmental Entity.

(lll) *Compliance Program*. The Corporation has established and administers a compliance program applicable to the Corporation and its Subsidiaries, to assist the Corporation, its Subsidiaries and their respective officers, directors, subcontractors, agents, principals, and employees in complying with applicable Health Care Laws.

(mmm) *Health Care Actions*. Neither the Corporation nor any of its Subsidiaries have received notice of any claim, action, suit, audit, proceeding, hearing, enforcement, investigation, arbitration or other action ("**Health Care Actions**") from any court, arbitrator, or any other Governmental Entity, or third party alleging or asserting any liability under, any non-compliance with, or that any product, operation or activity is in violation of any Health Care Laws, and, to the knowledge of the Corporation, no such Health Care Action is threatened, other than those that individually or in the aggregate would not reasonably be expected to result in a Material Adverse Effect. To the knowledge of the Corporation, there are no facts or circumstances that would reasonably be expected to give rise to liability of the Corporation under Health Care Laws, other than any liability that would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect. The Corporation and its Subsidiaries have filed, obtained, maintained, and submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Health Care Law or any permit ("**Health Care Filings**") in all material respects, and all such Health Care Filings were complete and correct in all material respects and not misleading on the date filed (or were corrected or supplemented by a subsequent Health Care Filing). Neither the Corporation nor any of its Subsidiaries have offered, paid, solicited or received any remuneration, discount, or rebate, to or from any Person except in compliance in all respects with all Health Care Laws. Neither the Corporation nor any of its Subsidiaries are a party to or has any ongoing reporting obligations pursuant to any corporate integrity agreements, deferred prosecution agreements, monitoring agreements, consent decrees, settlement orders, plans of correction or similar agreements with or imposed by any Governmental Entity, which is reasonably likely to result in a Material Adverse Effect. Except as would not reasonably be expected to result in a Material Adverse Effect, neither the Corporation nor any of its Subsidiaries have had any product or manufacturing site (whether Corporation-owned or Subsidiary-owned or, to the knowledge of the Corporation, that of a contract manufacturer for the products) subject to shutdown or import or export prohibition from a Governmental Entity, nor received any FDA Form 483 (Inspectional Observations) or other notice of inspectional observations from a Governmental Entity, "warning letters," "untitled letters," requests to make changes to the Corporation or any of its Subsidiaries' products, processes or operations, or similar correspondence or notice from any Governmental Entity alleging or asserting material non-compliance with any applicable Health Care Law. To the knowledge of the Corporation, no Governmental Entity is considering such action.

(nnn) *Intellectual Property*

(i) the Corporation has entered into valid and enforceable written agreements pursuant to which the Corporation has been granted all licenses and permissions to use the Licensed IP to the extent required for the conduct of the Business as currently conducted. All license agreements in respect to Licensed IP are in full force and effect and none of the

Corporation, any of the Subsidiaries or to the knowledge of the Corporation, any other person, is in default of its obligations thereunder;

(ii) the Corporation and the Subsidiaries own, or have obtained valid and enforceable licenses for, or other rights to use, all Intellectual Property necessary to carry on the Business now operated by it;

(iii) there is no current or pending, or to the knowledge of the Corporation, threatened action, suit, proceeding or claim by others challenging the validity or enforceability of any registered Intellectual Property owned by the Corporation or any Subsidiary, or suggesting that any other Person has any claim of legal or beneficial ownership with respect thereto, and the Corporation has no knowledge of any facts which would form a reasonable basis for any such claim;

(iv) there are no oppositions, cancellations, interferences or re-examination proceedings pending with respect to any registered Intellectual Property owned by the Corporation and/or any Subsidiary or, the knowledge of the Corporation, threatened, and neither the Corporation nor any of the Subsidiaries has received any notice (whether written, oral or otherwise) indicating that any application pending at the date hereof for registration of the Intellectual Property owned by the Corporation and/or any Subsidiary has been finally rejected or denied by the applicable reviewing authority except for any rejection or denial that would not, individually or in the aggregate, have a Material Adverse Effect;

(v) the conduct of the Business does not infringe, violate, misappropriate or otherwise conflict with any Intellectual Property right of any person, except as would not, individually or in the aggregate, have a Material Adverse Effect. There is no pending or threatened action, suit, proceeding or claim by others alleging that any current or proposed conduct of the Business infringes, violates, misappropriates or otherwise conflicts with (or would infringe, violate, misappropriate or otherwise conflict with) any Intellectual Property of others, and the Corporation has no knowledge of any facts which form a reasonable basis for any such claim;

(vi) to the knowledge of the Corporation, no person is infringing or misappropriating, any rights of the Corporation and/or any Subsidiary in or to the Intellectual Property owned by the Corporation or any Subsidiary; and

(vii) the Corporation and its Subsidiaries have used commercially reasonable efforts to maintain and protect all trade secrets and other confidential information forming part of the Intellectual Property owned by the Corporation or its Subsidiaries or the Licensed IP. The Corporation and its Subsidiaries have ensured that all former and current employees, consultants and contractors that developed Intellectual Property for the Corporation or its Subsidiary have assigned to the Corporation and/or a Subsidiary all rights, title and interest in and to any such Intellectual Property.

(ooo) *Leased Premises*. With respect to each of the Leased Premises, the Corporation and/or the Subsidiaries occupy the Leased Premises and have the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation or the Subsidiaries occupy the Leased Premises is in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement, and the completion of the transactions described herein by the Corporation, will not afford any of the parties to such leases or any other Person the right to terminate any such lease or result in any

additional or more onerous obligations under such leases.

(ppp) *Environmental and Workplace Laws*. The Corporation and the Subsidiaries are currently in compliance, in all material respects, with all Environmental Laws and Authorizations, including all reporting and monitoring requirements thereunder, and there are no pending or, to the knowledge of the Corporation, any threatened, administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigation or proceedings under any Environmental Laws relating to the Corporation, the Subsidiaries, any real property owned by the Corporation or the Subsidiaries, or the Leased Premises. Neither of the Corporation nor any Subsidiary has ever received any notice of any non-compliance in respect of Environmental Laws and there are no events or circumstances that might reasonably be expected to form the basis of an order for clean up, remediation or otherwise under Environmental Laws. The premises, facilities and operations of the Corporation and the Subsidiaries have been and are currently being conducted in all material respects in compliance with Environmental Laws, all Authorizations and all applicable workers' compensation and health and safety and workplace laws, regulations and policies.

(qqq) *Insurance*. The Corporation and each of the Subsidiaries maintain insurance by insurers of recognized financial responsibility, against such losses, risks and damages to their Business Assets in such amounts that are: (i) customary for the business in which they are engaged in, (ii) on a basis consistent with reasonably prudent persons in comparable businesses, and (iii) in compliance with the requirements contained in any Material Agreements; and all of the policies in respect of such insurance coverage, fidelity or surety bonds insuring the Corporation, the Subsidiaries, and their respective directors, officers and employees, and the Business Assets, are in good standing and in full force and effect in all respects, and not in default. The Corporation and each of the Subsidiaries are in compliance with the terms of such policies and instruments in all material respects and there are no material claims by the Corporation or any Subsidiary under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; the Corporation and the Subsidiaries have no reason to believe that they will not be able to renew such existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue the Business at a cost that would not have a Material Adverse Effect, and neither the Corporation nor any Subsidiary has failed to promptly give any notice of any material claim thereunder.

Employment Matters

(rrr) *Employment Laws*. The Corporation and the Subsidiaries are in material compliance with all Applicable Laws respecting employment and employment practices, terms and conditions of employment, workers' compensation, occupational health and safety and pay equity and wages. There are no current or pending material claims, complaints, outstanding decisions, orders or settlements under any Applicable Laws related to human rights, employment standards, workers' compensation, occupational health and safety or similar laws nor has any event occurred which may give rise to any of the foregoing.

(sss) *Employee Plans*. Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Corporation or the Subsidiaries for the benefit of any current or former director, officer, employee or consultant of the Corporation or the Subsidiaries (the "**Employee Plans**") has been maintained in compliance with its terms and with the

requirements prescribed by any and all Applicable Laws to such Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Canadian Securities Laws.

(ttt) *Record Keeping*. All material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of the Corporation and each of the Subsidiaries, as applicable.

(uuu) *Labour Matters*. There is not currently any labour disruption, dispute, slowdown, stoppage, complaint or grievance outstanding or pending, or to the knowledge of the Corporation, threatened against the Corporation or any Subsidiary which is adversely affecting or could adversely affect, in a material manner, the carrying on of the business of the Corporation or any Subsidiary and no union representation exists for the employees of the Corporation or any Subsidiary and no collective bargaining agreement is in place or being negotiated by the Corporation or any Subsidiary.

Section 9 Covenants of the Corporation.

The Corporation covenants and agrees with the Underwriters, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Offered Units, as follows:

(1) *Notification of Filings*. The Corporation will advise the Underwriters, promptly after receiving notice thereof, of the time when the Offering Documents have been filed and receipts, as applicable, therefor have been obtained and will provide evidence reasonably satisfactory to the Underwriters of each such filing and copies of such receipts.

(2) *Standstill*. The Corporation will not, directly or indirectly, for a period commencing on the date of this Agreement and ending 90 days after the Closing Date, without the prior written consent of the Underwriters, not to be unreasonably withheld, issue, sell, offer, grant an option or right in respect of (or agree to or publicly announce an intention to do any of the foregoing) any additional Common Shares or any securities convertible into or exchangeable into Common Shares, other than (i) pursuant to the Offering (including the Over-Allotment Option); (ii) pursuant to the grant or exercise of stock options, restricted share units, deferred share units and other similar issuances pursuant to any stock option or incentive plan or similar share compensation arrangements in place as at the date hereof; (iii) pursuant to the exercise of warrants or options outstanding as at the date hereof; (iv) to Birch Hill in connection with any exercise by them of their anti-dilution rights pursuant to the terms of the Birch Hill Agreement; or (v) in connection with any bona fide acquisition by the Corporation of the shares and assets of other corporations or entities.

(3) *Lock-Up Agreements*. The Corporation will use its commercially reasonable efforts to cause each executive officer and director of the Corporation to execute and deliver to the Underwriters signed lock-up agreements, in form and content acceptable to the Underwriters, acting reasonably, on or before the Closing Time, pursuant to which each such person agrees, for a period beginning on the Closing Date and ending 90 days after the Closing Date, not to, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, pledge, hypothecate or announce any intention to do so, any Common Shares, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise, other than pursuant to a take-over bid, arrangement, or any other similar transaction involving the acquisition of the Corporation, or with the prior written consent of the Underwriters, such consent not to be

unreasonably withheld or delayed.

(4) *Maintain Reporting Issuer Status*. The Corporation will use its commercially reasonable best efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Canadian Securities Laws in each of the Qualifying Jurisdictions, to the date that is at least 36 months following the Closing Date, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation.

(5) *Maintain Stock Exchange Listing*. The Corporation will use its commercially reasonable best efforts to maintain the listing of the Common Shares (including those issuable pursuant to the Offering) on the TSX or such other recognized stock exchange or quotation system as the Underwriters may approve, acting reasonably, for a period of at least 36 months following the Closing Date, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation.

(6) *Validly Issued Shares*. The Corporation will ensure that at the Closing Time the Shares have been duly and validly issued as fully paid and non-assessable Common Shares.

(7) *Validly Issued Warrants*. The Corporation will ensure that the Warrants are duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Indenture.

(8) *Validly Issued Warrant Shares*. The Corporation will ensure, at all times prior to the date that is 36 months from the Closing Date, that sufficient Warrant Shares are authorized and allotted for issuance upon due and proper exercise of the Warrants, and upon issuance in accordance with the terms of the Warrant Indenture, the Warrant Shares shall be validly issued as fully paid and non-assessable Common Shares.

(9) *Validly Issued Broker Warrants*. The Corporation will ensure that the Broker Warrants are duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Broker Warrant Certificates.

(10) *Validly Issued Broker Shares*. The Corporation will ensure, at all times prior to the date that is 24 months from the Closing Date, that sufficient Broker Shares are authorized and allotted for issuance upon due and proper exercise of the Broker Warrants, and upon issuance in accordance with the terms of the Broker Warrant Certificates, the Broker Shares shall be validly issued as fully paid and non-assessable Common Shares.

(11) *Warrant Agent.* The Corporation will duly appoint the Transfer Agent as the warrant agent under the Warrant Indenture at or prior to the Closing Time.

(12) *Use of Proceeds*. The Corporation will use the proceeds of the Offering in the manner specified in the Prospectus under the heading "Use of Proceeds".

(13) *Consents and Approvals*. The Corporation will have made or obtained, as applicable, at or prior to the Closing Time, all consents, approvals, permits, authorizations or filings as may be required by the Corporation under Canadian Securities Laws necessary for the consummation of the transactions contemplated herein, other than customary post-closing filings as may be required to be submitted within the applicable time frame pursuant to Securities Laws and the rules of the TSX.

(14) *Closing Conditions*. The Corporation will have, at or prior to the Closing Time, fulfilled or caused to be fulfilled, each of the conditions set out in Section 11 hereof.

Section 10 Representations, Warranties and Covenants of the Underwriters.

(1) Each Underwriter hereby severally, and not jointly, nor jointly and severally, represents and warrants to the Corporation, as follows:

(a) *Registration*. The Lead Underwriter is, and will remain so, until the completion of the Offering, appropriately registered under applicable Canadian Securities Laws so as to permit it to lawfully fulfill its obligations hereunder.

(b) *Authority*. The Underwriters have good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein.

(c) *Marketing Materials*. Other than the Marketing Materials, the Underwriters have not provided any marketing materials to any potential investors in connection with the Offering.

(2) Each Underwriter hereby severally, and not jointly, nor jointly and severally, represents and warrants to the Corporation, as follows:

(a) *Jurisdictions.* During the period of distribution of the Offered Units by or through the Underwriters, the Underwriters will offer and sell the Offered Units to the public only in the Qualifying Jurisdictions where they may lawfully be offered for sale upon the terms and conditions set forth in the Prospectus and this Agreement, either directly or through its Selling Group. The Underwriters shall be entitled to assume that the Offered Units are qualified for distribution in any Qualifying Jurisdiction where the Prospectus Supplement has been filed.

(b) *Compliance with Securities Laws.* The Underwriters will comply with applicable Securities Laws in connection with the offer and sale and distribution of the Offered Units. The Underwriters will offer for sale the Offered Units for sale by the Corporation in the United States through their duly-registered U.S. Affiliate pursuant to applicable exemptions from the registration requirements of U.S. Securities Laws, and in such other international Selling Jurisdictions on a private placement basis, in accordance with applicable Securities Laws in such other international Selling Jurisdictions. Any offer for sale or sale of the Offered Units in the United States will be made solely pursuant to the U.S. Placement Memorandum and in accordance with Schedule "C" to this Agreement.

(c) *Sales.* The Underwriters will not, directly or indirectly, solicit offers to sell or sell the Offered Units or deliver any Offering Document to purchasers so as to require registration of the Offered Units or the filing of a prospectus or registration statement with respect to the Offered Units under the Applicable Laws of any jurisdiction other than the Qualifying Jurisdictions.

(d) *Completion of Distribution.* The Underwriters will use its commercially reasonable best efforts to complete the distribution of the Offered Units as promptly as possible after the Closing Time. The Underwriters will notify the Corporation when the Underwriters have ceased the distribution of the Offered Units and, within thirty (30) days after the Closing Date, will provide the Corporation, in writing, with a breakdown of the number of Offered Units distributed (i) in each of the Qualifying Jurisdictions, and (ii) in any other Selling Jurisdictions.

(e) *Restricted Dealer*. AGP covenants and agrees with the Corporation that it will only offer and sell the Offered Securities outside of Canada and it will not, directly or indirectly, advertise or solicit offers to purchase or sell the Offered Securities in Canada or to residents of Canada. For the avoidance of doubt, AGP are not acting as underwriters of the Offered Securities in

Canada.

Section 11 Conditions of Closing.

The Underwriters' obligation to complete the Closing pursuant to this Agreement (including the obligation to arrange for the purchase and sale of the Offered Units at the Closing Time) shall be subject to the following conditions having been met at the Closing Time:

(1) *Corporate and Securities Laws Opinions of the Corporation*. The Underwriters receiving favourable legal opinions from Stikeman Elliott LLP, legal counsel to the Corporation (who may rely, to the extent appropriate in the circumstances, on the opinions of local counsel acceptable to counsel to the Underwriters as to the qualification of the Offered Units for sale to the public and as to other matters governed by the laws of jurisdictions in Canada other than the provinces in which they are qualified to practice and may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of officers, public and exchange officials or of the Auditor or transfer agent of the Corporation), addressed to the Underwriters, substantially to the effect set forth below, subject to customary assumptions, qualifications and limitations:

(a) the Corporation is a corporation validly incorporated and existing under the Act and has all requisite corporate power and capacity to carry on business and to own and lease properties and assets;

(b) the Corporation being a "reporting issuer" in the Provinces of Canada, other than Quebec and is not included on the list of issuers in default in such Provinces;

(c) the authorized and issued capital of the Corporation;

(d) the Corporation has all necessary corporate power and authority to (i) execute, deliver and perform its obligations under the Transaction Documents, (ii) to create, issue and sell, as applicable, the Offered Securities and the Broker Securities, and (iii) to grant the Over-Allotment Option;

(e) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of the Transaction Documents and the performance of its obligations thereunder and each of the Transaction Documents has been duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to such other standard assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution set out in this Agreement may be limited by applicable law;

(f) the execution and delivery of the Transaction Documents and the fulfilment of the terms thereof by the Corporation and the issuance, sale and delivery of the Offered Securities, the Broker Securities and the grant of the Over-Allotment Option, do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with the articles and bylaws of the Corporation, any resolutions of the shareholders or directors (including committees of the board of directors) of the Corporation, the Act or Canadian Securities Laws;

(g) the form and terms of the definitive certificates representing the Warrants and the Broker Warrants have been approved by the directors of the Corporation and comply in all material

respects with the Act, the articles and bylaws of the Corporation, and the rules and regulations of the TSX;

(h) Computershare Investor Services Inc. is the duly appointed transfer agent and registrar for the Common Shares;

(i) Computershare Trust Company of Canada is the duly appointed warrant agent for the Warrants;

(j) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of the Prospectus (and any Supplementary Material) and the filing thereof with the Securities Commissions in the Qualifying Jurisdictions;

(k) the Initial Shares have been validly issued as fully paid and non-assessable Common Shares;

(l) the Initial Warrants have been duly and validly created and issued, and, when issued, will be fully paid Warrants in accordance with the provisions of the Warrant Indenture;

(m) the Over-Allotment Option has been duly and validly authorized and granted by the Corporation and the Additional Shares and Additional Warrants issuable upon the exercise of the Over-Allotment Option have been duly and validly created, allotted and authorized for issuance by the Corporation and, upon the exercise of the Over-Allotment Option including receipt by the Corporation of payment in full therefor, the Additional Shares will be validly issued as fully paid and non-assessable Common Shares and the Additional Warrants will be duly and validly created and issued;

(n) the Warrant Shares have been duly and validly allotted and authorized for issuance and upon due exercise of the Warrants in accordance with the provisions of the Warrant Indenture, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;

(o) the Broker Warrants have been duly and validly created and issued and the Broker Shares have been duly and validly allotted and authorized for issuance and, upon the due exercise of the Broker Warrants in accordance with the provisions of the Broker Warrant Certificates, the Broker Shares will be validly issued as fully paid and non-assessable Common Shares;

(p) all necessary documents have been filed, all necessary proceedings have been taken and all necessary authorizations, approvals, permits, consents and orders have been obtained under Canadian Securities Laws to qualify the distribution to the public of the Offered Units in the Qualifying Jurisdictions by or through persons who are duly registered under the applicable Canadian Securities Laws and who have complied with the relevant provisions of such applicable Canadian Securities Laws, to qualify the issuance of the Broker Warrants and the grant of the Over-Allotment Option to the Underwriters;

(q) the issuance by the Corporation of the Warrant Shares upon the due exercise of the Warrants pursuant to the terms and conditions of the Warrants and the Warrant Indenture is exempt from, or is not subject to, the prospectus and registration requirements of the Canadian Securities Laws of the Qualifying Jurisdictions and no prospectus or other documents are required to be filed, proceedings taken, or approvals, permits, consents or authorizations obtained under the Canadian Securities Laws of the Qualifying Jurisdictions in connection therewith;

(r) the issuance by the Corporation of the Broker Shares upon the due exercise of the Broker Warrants pursuant to the terms of the Broker Warrant Certificates is exempt from, or is not subject to, the prospectus and registration requirements of the Canadian Securities Laws of the

Qualifying Jurisdictions and no prospectus or other documents are required to be filed, proceedings taken, or approvals, permits, consents or authorizations obtained under the Canadian Securities Laws of the Qualifying Jurisdictions in connection therewith;

(s) subject to the assumptions, qualifications and limitations set out therein, the statements set forth in the Prospectus under the caption "Eligibility for Investment" and "Certain Canadian Federal Income Tax Considerations", insofar as they purport to describe the provisions of the laws referred to therein, are fair summaries of the matters discussed therein; and

(t) subject only to the Standard Listing Conditions, the Shares, Warrant Shares and Broker Shares have been conditionally approved for listing on the TSX,

in form and substance acceptable to the Underwriters and their counsel, acting reasonably.

(2) *Dialco Corporate Opinions*. The Underwriters receiving favourable legal opinions from Stikeman Elliott LLP, counsel to the Corporation, and from local counsel to the Corporation, as applicable, which counsel in turn may rely, as to matters of fact, on certificates of public officials and officers of the Corporation regarding the Corporation, addressed to the Underwriters in form and substance acceptable to the Underwriters and their counsel, acting reasonably, substantially to the effect set out below:

(a) Dialco having been incorporated and existing under its jurisdiction of incorporation;

(b) Dialco the requisite corporate power and capacity under the laws of its jurisdiction of incorporation to carry on business and to own and lease its properties and assets; and

(c) as to the authorized and issued share capital of Dialco and to the ownership thereof.

(3) *U.S. Securities Opinion.* If any Offered Units are being sold to persons in the United States pursuant to Schedule "C" to this Agreement, the Underwriters shall have received an opinion from the U.S. legal counsel to the Corporation, addressed to the Underwriters, in form and substance reasonably satisfactory to the Underwriters, to the effect that registration under the U.S. Securities Act is not required in connection with the offer of the Offered Units by the Underwriters through their U.S. Affiliate for sale by the Corporation, provided that such offers and sales are made in compliance with Schedule "C" to this Agreement and provided further that it being understood that no opinion is expressed as to any subsequent resale of any Offered Units.

(4) *Officers' Certificate*. The Underwriters receiving a certificate dated the Closing Date and signed by the Chief Executive Officer and the Chief Financial Officer, or such other senior officer(s), of the Corporation as may be acceptable to the Underwriters, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to:

(a) the constating documents of the Corporation;

(b) the resolutions of the directors of the Corporation relevant to the Offering Documents, the sale of the Offered Units, the grant of the Over-Allotment Option and the authorization of the Transaction Documents and the transactions contemplated herein and therein; and

(c) the incumbency and signatures of signing officers for the Corporation.

(5) *Certificates of Status*. The Underwriters receiving certificates of status, good standing and/or compliance, where issuable under applicable law, for the Corporation and each of the Subsidiaries, each dated within one (1) Business Day prior to the Closing Date.

(6) *Officers' Bring Down Certificate*. The Underwriters receiving a certificate dated the Closing Date and

signed by the Chief Executive Officer and the Chief Financial Officer or such other senior officer(s) of the Corporation as may be acceptable to the Underwriters, certifying for and on behalf of the Corporation and without personal liability, after having made due enquiries, that:

(a) the representations and warranties of the Corporation contained in this Agreement, and in any certificates of the Corporation delivered pursuant to or in connection with this Agreement, are true and correct in all material respects as of the Closing Time as if such representations and warranties were made as at the Closing Time, after giving effect to the transactions contemplated hereby;

(b) the Corporation has complied in all material respects with all the covenants and satisfied in all material respects all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time;

(c) no order, ruling or determination having the effect of suspending the sale or ceasing the trading or prohibiting the sale of the Offered Units or any other securities of the Corporation (including the Common Shares) has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority;

(d) since the respective dates as of which information is given in the Prospectus Supplement (i) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), prospects or capital of the Corporation on a consolidated basis, and (ii) no transaction has been entered into by the Corporation or either of the Subsidiaries which is material to the Corporation on a consolidated basis, other than as disclosed in the Prospectus or the Supplementary Material, as the case may be; and

(e) there has been no change in any material fact (which includes the disclosure of any previously undisclosed material fact) contained in the Prospectus which fact or change is, or may be, of such a nature as to render any statement in the Prospectus misleading or untrue in any material respect or which would result in a misrepresentation in the Prospectus or which would result in the Prospectus not complying with applicable Canadian Securities Laws.

(7) *Auditor Bring Down Letter*. The Underwriters receiving the auditors "bring down" comfort letter dated the Closing Date from the Auditors, in form and substance satisfactory to the Underwriters, acting reasonably, bringing forward to a date not more than two (2) Business Days prior to the Closing Date the information contained in the comfort letter referred to in Section 5(1)(c) hereof.

(8) *Issued and Outstanding Certificate*. The Underwriters receiving a certificate from Computershare Investor Services Inc. as to the number of Common Shares issued and outstanding as at the end of business on the date prior to the Closing Date.

(9) *Consents and Approvals*. The Corporation will have made and/or obtained all necessary filings, approvals, permits, consents and acceptances to or from, as the case may be, the board of directors, the Securities Regulators, the TSX and any other applicable person required to be made or obtained by the Corporation in connection with the transactions contemplated by this Agreement, on terms which are acceptable to the Corporation and the Underwriters, acting reasonably, prior to the Closing Date, it being understood that the Underwriters will do all that is reasonably required to assist the Corporation to fulfil this condition.

(10) *Stock Exchange Approval*. Subject only to satisfaction by the Corporation of the Standard Listing Conditions, the Shares, Warrant Shares, and Broker Shares will be listed and posted for trading on the

TSX upon their issuance.

(11) *Other Documents*. The Underwriters having received such further certificates, opinions of counsel and other documentation from the Corporation contemplated herein, provided, however, that the Underwriters or their counsel shall request any such certificate or document within a reasonable period prior to the Closing Time that is sufficient for the Corporation to obtain and deliver such certificate, opinion or document.

(12) *No Exercise of Termination Rights*. The Underwriters not having exercised any rights of termination set forth herein.

Section 12 Closing.

(1) *Location of Closing.* The Offering will be completed electronically, and concurrently at the offices of Stikeman Elliott LLP and Cassels Brock & Blackwell LLP in Toronto, Ontario at the Closing Time.

(2) *Securities.* At the Closing Time, subject to the terms and conditions contained in this Agreement, the following shall occur: (a) the Underwriters shall pay the aggregate Offering Price for the Offered Units being issued and sold hereunder, net of the Commission and expenses of the Underwriters payable by the Corporation as set out in this Agreement, by wire transfer or certified cheque, (b) the Corporation shall deliver to the Underwriters in Toronto, Ontario, the Offered Units in electronic or certificated form, registered in the name of "CDS & Co." or in such other names as the Underwriters may direct in writing not less than 24 hours prior to the Closing Time, for deposit into the electronic book based system for clearing, depository and entitlement services operated by CDS, and (c) the Corporation shall register and issue the Broker Warrants as directed by the Underwriters, and deliver the Broker Warrant Certificate(s) as directed by the Underwriters in Toronto, Ontario.

Section 13 Closing of the Over-Allotment Option.

(1) *Written Notice of Exercise*. The Over-Allotment Option may be exercised for a period of 30 days from and including the Closing Date. The Underwriters shall provide written notice to the Corporation of their election to exercise the Over-Allotment Option, which notice will set forth: (i) the aggregate number of Additional Securities to be issued and sold; and (ii) the closing date for the issue and sale of the Additional Securities, provided that such closing date shall not be less than three (3) Business Days and no more than seven (7) Business Days following the date of such notice, and in any event not later than the 30th day following the Closing Date.

(2) *Closing.* The purchase and sale of the Additional Securities, if required, shall be completed at such time and place as the Underwriters and the Corporation may agree, and in accordance with Section 13(1) above.

(3) *Securities.* At the closing of the Over-Allotment Option, subject to the terms and conditions contained in this Agreement, the Corporation shall deliver to the Underwriters the Additional Securities in electronic or certificated form, registered as directed by the Underwriters, against payment to the Corporation by the Underwriters of the aggregate Offering Price for the Additional Securities being issued and sold by wire transfer or certified cheque, net of the Commission and any expenses of the Underwriters payable by the Corporation as set out in this Agreement.

(4) *Deliveries*. The applicable terms, conditions and provisions of this Agreement (including the provisions of Section 11 relating to closing deliveries) shall apply *mutatis mutandis* to the Closing of the issuance of any Additional Securities pursuant to any exercise of the Over-Allotment Option.

(5) *Adjustments*. In the event that the Corporation shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Over-Allotment Option is exercisable,

appropriate adjustments will be made to the Offering Price and to the number of Additional Securities issuable on exercise thereof such that the Underwriters are entitled to arrange for the sale of the same number and type of securities that the Underwriters would have otherwise arranged for had they exercised such Over-Allotment Option immediately prior to such subdivision, consolidation, reclassification or change.

Section 14 Indemnification and Contribution.

(1) The Corporation and its subsidiaries and their respective affiliated companies, as the case may be (collectively, the "**Indemnitor**") agrees to indemnify and hold harmless the Underwriters and each of its subsidiaries and affiliates, and each of its respective directors, officers, employees, partners, shareholders, agents, each other person, if any, controlling the Underwriters or any of its subsidiaries or affiliates (collectively, the "**Indemnified Parties**" and each, an "**Indemnified Party**"), to the full extent lawful, from and against all expenses, fees, losses (other than loss of profits), claims, actions (including shareholder actions, derivative actions or otherwise), damages (other than consequential damages), obligations and liabilities, joint or several, of any nature (including without limitation the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of their respective counsel and other expenses, but not including any amount for lost profits) (collectively, "**Losses**") that are incurred in investigating, advising with respect to, defending and/or settling any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party (collectively, the "**Claims**") or to which an Indemnified Party may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as the Claims arise out of or are based upon, directly or indirectly, the performance of professional services rendered to the Corporation by the Indemnified Parties hereunder or otherwise in connection with the matters referred to in this Agreement, together with any Losses that are incurred in enforcing this indemnity. This indemnity shall not be available to an Indemnified Party in respect of Losses incurred where a court of competent jurisdiction in a final judgment that has become non-appealable determines that such Losses resulted solely from the fraud, gross negligence or willful misconduct of the Indemnified Party in the course of the performance of professional services rendered to the Corporation by the Indemnified Parties hereunder.

(2) If for any reason (other than a determination as to any of the events referred to immediately above) this indemnity is unavailable to an Indemnified Party or is insufficient to hold an Indemnified Party harmless in respect of any Claim, the Indemnitor shall contribute to the Losses paid or payable by such Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Indemnified Party on the other hand but also the relative fault of the Indemnitor and the Indemnified Party as well as any relevant equitable considerations; provided that the Indemnitor shall in any event contribute to the Losses paid or payable by an Indemnified Party as a result of such Claim, the amount (if any) equal to (i) such amount paid or payable, minus (ii) the amount of the Commission received by the Indemnified Party, if any, pursuant to this Agreement. In the event that the Indemnitor may be entitled to contribution from the Indemnified Parties under the provisions of any statute or law, the Indemnitor shall be limited to contribution in any amount not exceeding the lesser of the portion of the Losses giving rise to such contribution for which the Underwriters is responsible, and the amount of the Commission received by the Underwriters.

(3) The Indemnitor agrees that in case any legal proceeding shall be brought against, or an investigation is commenced in respect of, the Indemnitor and/or an Indemnified Party and an Indemnified Party or its personnel are required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with or by reason of the performance of professional services rendered to the Corporation by the Indemnified Parties hereunder, the Indemnified Party shall have the right to employ its own counsel in connection therewith, and the

reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Indemnified Party for time spent by its personnel in connection therewith at their normal per diem rates together with such disbursements and out-of-pocket expenses incurred by the personnel of the Indemnified Party in connection therewith) shall be paid by the Indemnitor as they occur.

(4) The Underwriters will notify the Indemnitor promptly in writing after receiving notice of any Claim against the Underwriters or any other Indemnified Party or receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor hereunder, stating the particulars thereof, will provide copies of all relevant documentation to the Indemnitor and, unless the Indemnitor assumes the defence thereof, will keep the Indemnitor advised of the progress thereof and will discuss all significant actions proposed. The omission to so notify the Indemnitor shall not relieve the Indemnitor of any liability which the Indemnitor may have to an Indemnified Party except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such Claim or results in any material increase in the liability under this indemnity which the Indemnitor would otherwise have incurred had the Underwriters not so delayed in giving, or failed to give, the notice required hereunder.

(5) The Indemnitor shall be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence or settlement of any Claim within 15 days after receipt of notice of a Claim, through counsel of their own choosing and at their own expense. Upon the Indemnitor notifying the Underwriters in writing of its election to assume the defence and retaining counsel, the Indemnitor shall not be liable to an Indemnified Party for any legal expenses subsequently incurred by it in connection with such defence. If such defence is not assumed by the Indemnitor, the Indemnified Parties, throughout the course thereof, shall provide copies of all relevant documentation to the Indemnitor, shall keep the Indemnitor advised of the progress thereof and shall discuss with the Indemnitor all significant actions proposed. If such defence is assumed by the Indemnitor, the Indemnitor throughout the course thereof will provide copies of all relevant documentation to the Underwriters, will keep the Underwriters advised of the progress thereof and will discuss with the Underwriters all significant actions proposed.

(6) Notwithstanding the foregoing paragraph, any Indemnified Party shall have the right, at the Indemnitor's expense, to separately retain counsel of such Indemnified Party's choice, in respect of the defence of any Claim if: (i) the employment of such counsel has been authorized by the Indemnitor; (ii) the Indemnitor has not assumed the defence and employed counsel therefor promptly after receiving notice of the Claim and in any event within 15 days; or (iii) counsel retained by the Indemnitor or the Indemnified Party has advised the Indemnified Party that representation of both parties by the same counsel would be inappropriate for any reason, including for the reason that there may be legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnitor or that there is a conflict of interest between the Indemnitor and the Indemnified Party or the subject matter of the Claim may not fall within the indemnity set forth herein (in any of which events the Indemnitor shall not have the right to assume or direct the defence on such Indemnified Party's behalf). In connection therewith, the reasonable fees and expenses (on standard commercial terms) of counsel retained by an Indemnified Party (which for the purposes of this paragraph shall be limited to one counsel representing all of the Indemnified Parties) as well as the reasonable costs (including an amount to reimburse the Indemnified Party for time spent by its personnel in connection therewith at their normal per diem rates) shall be paid by the Indemnitor as they occur.

(7) No admission of liability and no settlement, compromise, consent to the entry of any judgment or termination of any Claim shall be made by the Indemnitor without the prior written consent of the Indemnified Parties affected and unless the Indemnitor has acknowledged in writing that the

Indemnified Parties are entitled to be indemnified in respect of such Claim and such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Party from any liabilities arising out of such Claim without any admission of negligence, misconduct, liability or responsibility by or on behalf of any Indemnified Party.

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

(9) The Indemnitor agrees to waive any right the Indemnitor may have of first requiring the Indemnified Party to proceed against or enforce any right, power, remedy, security or claim payment from any other Person before claiming under this indemnity.

(10) The Indemnitor hereby acknowledges that the Underwriters is acting as trustee for each of the other Indemnified Parties of the Indemnitor's covenants under this indemnity and the Underwriters agrees to accept such trust and to hold and enforce such covenants on behalf of such Persons.

(11) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Indemnified Parties who are not signatories hereto and shall be binding upon and enure to the benefit of any successors, permitted assigns, heirs and personal representatives of the Indemnitor and the Indemnified Parties. The foregoing provisions shall survive any termination of this Agreement or the completion of the performance of professional services rendered to the Corporation by the Indemnified Parties hereunder.

Section 15 Compensation of the Underwriters.

In consideration of the services to be rendered by the Underwriters in connection with the Offering, the Corporation shall pay to the Underwriters at the Closing Time, a cash fee (the "**Commission**") equal to 6.5% of the aggregate gross proceeds of the Offering (including for certainty on any exercise of the Over-Allotment Option). The Corporation shall also issue to the Underwriters that number of broker warrants (the "**Broker Warrants**") equal to 6.5% of the aggregate number of Offered Units sold pursuant to the Offering (including, for certainty, on any exercise of the Over-Allotment Option). Each Broker Warrant will entitle the holder thereof to acquire one Common Share (a "**Broker Share**") at an exercise price of $0.486 for a period of 24 months following the Closing Date. The obligation of the Corporation to pay the Commission and to execute and deliver the Broker Warrant Certificates shall arise at the Closing Time.

Section 16 Expenses.

Whether or not the issue and sale of the Offered Units shall be completed, all costs and expenses of or incidental to the sale and delivery of the Offered Units and of or incidental to all matters in connection with the transactions herein shall be borne by the Corporation, including, without limitation, all expenses of or incidental to the issue, sale or distribution of the Offered Units, the fees and expenses of the Corporation's counsel, Auditors and independent experts, all costs incurred in connection with the preparation of documents relating to the Offering, and the reasonable expenses and fees incurred by the Underwriters which includes but is not limited to out-of-pocket and travel expenses in connection with due diligence and marketing meetings of the Underwriters and the reasonable fees and disbursements of the Underwriters' Canadian legal counsel and applicable taxes thereon (to a maximum of $100,000 for Underwriter's legal counsel exclusive of disbursements and taxes in respect of the Offering). The Underwriter's expenses will be netted out of the gross proceeds of the Offering.

Section 17 All Terms to be Conditions.

The Corporation agrees that the terms and conditions contained in this Agreement shall be construed

as conditions and will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Corporation and each of the Corporation and the Underwriters will use its respective commercially reasonable efforts to cause all such conditions to be complied with and any material breach or failure by the Corporation to comply with any such terms and conditions in favour of the Underwriters that cannot be cured prior to the Closing Date shall entitle the Underwriters to terminate its obligations under this Agreement by written notice to that effect given to the Corporation prior to the Closing Time. It is understood that the Underwriters may waive, in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights of the Underwriters in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing.

Section 18 Termination by the Underwriters in Certain Events.

(1) The Underwriters shall also be entitled to terminate and cancel, without any liability on the part of the Underwriters and the Purchasers, all of their obligations (and those of any Purchasers arranged by it) under this Agreement, by written notice to that effect given to the Corporation at or prior to the Closing Time if:

(a) *Material Change Out* - there shall occur or come into effect any material change in the business, affairs or financial condition or financial prospects of the Corporation or its Subsidiaries, or any change in a material fact or new material fact shall arise, or there should be discovered any previously undisclosed material fact which, in each case, in the reasonable opinion of the Underwriters has or would be expected to have a significant adverse effect on the market price or value or marketability of the Offered Units; or

Disaster Out - there should develop, occur or come into effect or existence any event, action, state or condition (including without limitation, terrorism or accident) or major financial, political or economic occurrence of national or international consequence, any declared pandemic of a serious contagious disease (including the COVID-19 Outbreak, to the extent that there is any material adverse development related thereto after July 21, 2021, or similar event or the escalation thereof), or any action, government, law, regulation, inquiry or other occurrence of any nature, which in the sole opinion of the Underwriters, seriously adversely affects or involves or may seriously adversely affect or involve the financial markets in Canada or the United States or the business, operations or affairs of the Corporation and its Subsidiaries taken as a whole or the marketability of the Offered Units; or

(b) *Regulatory Proceedings Out* - (i) any inquiry, action, suit, proceeding or investigation (whether formal or informal) (including matters of regulatory transgression or unlawful conduct) is commenced, announced or threatened in relation to the Corporation or any one of the officers, directors or principal shareholders of the Corporation where wrong-doing is alleged or any order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSX or any securities regulatory authority which involves a finding of wrong doing; or (ii) any order, action, proceeding, law or regulation is made, threatened, enacted or changed which ceases trading in the Corporation's securities or, in the opinion of the Underwriters, acting reasonably, operates to prevent or restrict the trading of the Common Shares; or

(c) *Breach Out* - the Corporation is in breach of any material term, condition or covenant of this Agreement that may not be reasonably expected to be remedied prior to the Closing Time or any representation or warranty given by the Corporation in this Agreement becomes or is false.

(2) If this Agreement is terminated by the Underwriters pursuant to Section 18(1), there shall be no further liability on the part of the Underwriters or of the Corporation to the Underwriters, except in respect of any liability which may have arisen or may thereafter arise under Section 14 and Section 16.

(3) The right of the Underwriters to terminate its obligations under this Agreement is in addition to such other remedies as it may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement.

(4) Notwithstanding the foregoing and for the avoidance of doubt, this Agreement may be terminated at any time at or prior to the Closing Time upon the mutual written agreement of the Corporation and the Lead Underwriter if the parties hereto decide not to proceed with the Offering

Section 19 Liability of Underwriters

(1) The obligation of the Underwriters to purchase the Offered Securities in connection with the Offering at the Closing Time on the Closing Date shall be several, and not joint, nor joint and several, and shall be as to the following percentages to be purchased at any such time:

Paradigm	60%
AGP	40%
	100%

(2) In the event that an Underwriter shall at the Closing Time fail to purchase its percentage of the Offered Securities as provided in Section 19(1) (a "**Non-Purchasing Underwriter**"), whether upon the exercise of any termination rights or otherwise, the other Underwriters shall have the right, but shall not be obligated, to purchase all of the Offered Securities which would otherwise have been purchased by the Non-Purchasing Underwriters. The Underwriters exercising such right shall purchase such Offered Securities *pro rata* to their respective percentages as provided in Section 19(1) or in such Securities other proportions as they may otherwise agree. In the event that the continuing Underwriters purchase additional Offered Securities pursuant to this Section 19(2) than they otherwise would have pursuant to this Underwriting Agreement, the continuing Underwriters shall have the right to postpone the Closing Time for such period not exceeding five Business Days as they shall determine and notify the Corporation in order for required changes, if any, to the Offering Documents or to any other documents or arrangements may be effected. Nothing in this Section 19(2) shall oblige the Corporation to sell to the Underwriters less than all of the Initial Shares or, in the event of the exercise of the Over-Allotment Option in whole or in part, the Additional Units in respect of which the Over-Allotment Option has been exercised, or relieve from liability to the Corporation any Underwriter which shall be in default of its obligations under this Underwriting Agreement.

(3) No action taken pursuant to this Section 19 shall relieve any defaulting Underwriter from liability in respect of its default to the Corporation or to any non-defaulting Underwriter.

(5) Without affecting the firm obligation of the Underwriters to purchase from the Corporation the Initial Units at the Offering Price in accordance with this Underwriting Agreement, after the Underwriters have made reasonable efforts to sell all of the Initial Units at the Offering Price, the Offering Price may be decreased by the Underwriters and further change from time to time to an amount not greater than the Offering Price specified herein. Such decrease in the Offering Price will not affect the Underwriting Fee to be paid by the Corporation to the Underwriters, and it will not decrease the amount of the net proceeds of the Offering to be paid by the Underwriters to the Corporation, before deducting expenses of the Offering. The Underwriters will inform the Corporation if the Offering Price is decreased.

Section 20 Matters Relating to AGP

(1) AGP is not registered as a dealer or other market participant in any Qualifying Jurisdiction and hereby covenants to the Corporation and Paradigm not to sell or make offers to sell, the Offered Securities in Canada, or to residents of Canada. All sales made by AGP shall be made in the United States in compliance with Securities Laws pursuant to the U.S. Placement Memorandum. AGP will not execute the "Certificate of the Underwriters" included in the Prospectus Supplement and, accordingly, AGP nor any of its affiliates will be liable for any misrepresentation in the Prospectus or any amendment thereto under Canadian Securities Laws.

(2) In consideration of being a part of the syndicate of Underwriters, AGP hereby irrevocably and unconditionally agrees to indemnify Paradigm with respect to any and all losses, damages, liabilities, actions and claims (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) against Paradigm arising out of, resulting from or otherwise related to: (a) any liability of Paradigm in connection with Purchasers of the Offered Units in the United States, or (b) any order made or enquiry, investigation or proceedings commenced or threatened by any court, securities regulatory authority or other competent Governmental Entity based upon any failure to comply with U.S. Securities Laws, in each case where Paradigm is determined by a court of competent jurisdiction, securities regulatory authority or other competent Governmental Entity in a final judgment or decision from which no appeal can be made to be liable pursuant to such laws in respect of such action or claim (each an "**Inter-Underwriter Indemnified Claim**" and in aggregate, the "**Inter-Underwriter Indemnified Claims**").

(3) For the purposes of determining the amount that AGP is obligated to indemnify Paradigm, and for the purposes of determining AGP's entitlement to any payment made by an Indemnifying Party in connection with an Inter-Underwriter Indemnified Claim or expense reimbursement made in connection therewith, such amount will be determined by reference to the amount purchased by Purchasers of the Offered Units in the United States.

(4) In addition, AGP hereby agrees to, upon the reasonable request of Paradigm, assist Paradigm in securing indemnification from the Indemnifying Parties pursuant to Section 14 in connection with any Inter-Underwriter Indemnified Claims incurred by Paradigm as far as reasonably practicable. AGP shall be entitled to receive its proportion of any payment made to the Underwriters by the Indemnifying Parties (the "**Indemnifying Party Indemnification**") pursuant to Section 14 in connection with an Inter-Underwriter Indemnified Claim or expense reimbursement made in connection therewith.

(5) In no event shall the aggregate amount of AGP's indemnity exceed the amount purchased by Purchasers of the Offered Units in the United States after deduction of any Indemnifying Party Indemnification received by the Underwriters. The maximum amount payable by AGP to Paradigm in the aggregate pursuant to this Section 20 shall be reduced to the extent that AGP required to pay damages directly to claimants under U.S. Securities Laws in connection with the action or claim that is the subject matter of the indemnification being sought under this Section 20.

(6) AGP acknowledges and agrees that all of the covenants and obligations made by it under Section 20 are made in favour of Paradigm and that all of such covenants and obligations of AGP may be enforced (without duplication) by Paradigm.

(7) Notwithstanding anything set forth in this Underwriting Agreement to the contrary, AGP will only be required to make payment to Paradigm pursuant to this Section 20 if:

(a) Paradigm has used its commercially reasonable efforts to be reimbursed for the Inter-Underwriter Indemnified Claims pursuant to the indemnity and contribution provisions of Section 14 but has not been fully reimbursed; and

(b) it has not been determined in a final judgment of a court of competent jurisdiction or by

written acknowledgement of Paradigm that the action or claim resulting in the Inter-Underwriter Indemnified Claims was caused by or resulted from the gross negligence or wilful misconduct of Paradigm.

(8) If and to the extent that a court of competent jurisdiction in a final judgment determines, or Paradigm acknowledges in writing, that an action or claim to which Paradigm is subject was caused by or resulted from the gross negligence or wilful misconduct of Paradigm, then Paradigm shall promptly reimburse to AGP any amounts previously paid to it by AGP under this in respect of such action or claim. In addition, if AGP has made a payment to Paradigm pursuant to this Section 20 and Paradigm is thereafter reimbursed for all or any portion of the applicable Inter-Underwriter Indemnified Claim pursuant to this Underwriting Agreement, then Paradigm shall promptly reimburse to AGP such payment made by AGP pursuant to this Section 20 (but, for the avoidance of doubt, only to the extent that Paradigm was reimbursed for the applicable Inter-Underwriter Indemnified Claim).

(9) If any action or claim is asserted against Paradigm that is or may be subject to indemnification under this Section 20, Paradigm will notify AGP in writing as soon as possible of the particulars of such action or claim (but the omission so to notify AGP of any potential action or claim shall not relieve AGP from any liability which it may have to Paradigm and any omission so to notify AGP of any actual action or claim shall affect AGP's liability only to the extent that AGP is actually and materially prejudiced by that failure) and keep AGP reasonably apprised of the progress of the investigation or defence of such action or claim.

Section 21 Notices.

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered,

(a) in the case of the Corporation, to:

Spectral Medical Inc.
135 The West Mall, Unit 2
Toronto, Ontario M9C 1C2

Attention: Chris Seto, Chief Executive Officer & Chief Financial Officer
Email: cseto@spectraldx.com

with a copy to (which will not constitute delivery):

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Donald Belovich
Email: dbelovich@stikeman.com

(b) in the case of Paradigm, to:

Paradigm Capital Inc.
95 Wellington Street West, Suite 2101
PO Box 55
Toronto, Ontario M5J 2N7

Attention: David Roland, Chief Executive Officer
Email: droland@paradigmcap.com

with a copy to (which will not constitute delivery):

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Jay Goldman
Email: jgoldman@cassels.com

(c) in the case of AGP, to:

A.G.P/Alliance Global Partners
590 Madison Avenue, 28th Floor
New York, NY 10022

Attention: Thomas Higgins
Email: thiggins@allianceg.com

with a copy to (which will not constitute delivery):

TingleMetrrett LLP
639 5 Ave. SW #1250
Calgary, Alberta T2P 0M9

Attention: Ariane Young & Scott Reeves
Email: ayoung@tinglemerrett.com and sreeves@tinglemerrett.com

or to such other address as any of the parties may designate by notice given to the others.

The Corporation and the Underwriters may change their respective addresses for notices by notice given in the manner aforesaid. Any such notice or other communication shall be in writing, and unless delivered personally to the addressee or to a responsible officer of the addressee, as applicable, shall be given by electronic transmission and shall be deemed to have been given when: (i) in the case of a notice delivered personally to a responsible officer of the addressee, when so delivered; and (ii) in the case of a notice delivered or given by electronic transmission on the first Business Day following the day on which it is sent.

Section 22 Miscellaneous.

(1) *Successors and Assigns*. This Agreement shall enure to the benefit of, and shall be binding upon, the Underwriters and the Corporation and their respective successors and legal representatives, and except as may be provided herein, shall not be assignable by any party without the written consent of the others.

(2) *Governing Law*. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

(3) *Time of the Essence*. Time shall be of the essence hereof and, following any waiver or indulgence by any party, time shall again be of the essence hereof.

(4) *Interpretation*. The words, "hereunder", "hereof" and similar phrases mean and refer to the Agreement.

(5) *Survival*. All representations, warranties, covenants and agreements of the Corporation and/or the Underwriters herein contained or contained in documents submitted pursuant to this Agreement and in connection with the transaction of purchase and sale herein contemplated shall survive for a period ending on the date that is three years following the Closing Date. Notwithstanding the preceding sentence, Section 14 shall survive the purchase and sale of the Offered Units and the termination of this Agreement and shall continue in full force and effect for the benefit of the Underwriters or the Corporation, as the case may be, regardless of any subsequent disposition of the Offered Units or any investigation by or on behalf of the Underwriters with respect thereto without limitation other than any limitation requirements of applicable law. The Underwriters and the Corporation shall be entitled to rely on the representations and warranties of the Corporation or the Underwriters, as the case may be, contained herein or delivered pursuant hereto notwithstanding any investigation which the Underwriters or the Corporation may undertake, or which may be undertaken on their behalf.

(6) *Electronic Copies*. Each of the parties hereto shall be entitled to rely on delivery of a facsimile or PDF copy of this Agreement and acceptance by each such party of any such facsimile or PDF copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.

(7) *Severability.* If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

(8) *Counterparts*. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

(9) *Several and Joint.* In performing their respective obligations under this Agreement, the Underwriters shall be acting severally and not jointly and severally. Nothing in this Agreement is intended to create any relationship in the nature of a partnership, or joint venture between the Underwriters.

(10) *Market Stabilization Activities*. In connection with the distribution of the Offered Units, the Underwriters may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market, but in each case as permitted by Canadian Securities Laws. Such stabilizing transactions, if any, may be discontinued by the Underwriters at any time.

(11) *No Fiduciary Duty*. The Corporation acknowledges that in connection with the Offering, the Underwriters: (i) has acted at arm's length, are not an agent of, and owe no fiduciary duties to, the Corporation or any other person, (ii) owe the Corporation only those duties and obligations set forth in this Agreement, and (iii) may have interests that differ from those of the Corporation. The Corporation waives to the full extent permitted by applicable law any claims it may have against the Underwriters arising from an alleged breach of fiduciary duty in connection with the Offering.

(12) *Other Underwriters Business*. The Corporation acknowledges that the Underwriters and certain of its affiliates: (i) act as an investment fund manager and a trader of, and dealer in, securities both as principal and on behalf of its clients (including managed accounts and investment funds) and, as such, may in the future have, long or short positions in the securities of the Corporation or related entities and, from time to time, may have executed or may execute transactions on behalf of such Persons; (ii)

may provide research or investment advice or portfolio management services to clients on investment matters, including the Corporation; (iii) may participate in securities transactions on a proprietary basis, including transactions in the Offering or other securities of the Corporation or related entities; and (iv) nothing herein shall restrict their ability to conduct business in the ordinary course and in compliance with applicable laws.

(13) *Entire Agreement*. This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof, and shall supersede any and all prior negotiations and understandings in respect of the Offering, including the engagement letter between the Lead Underwriter and the Corporation dated July 20, 2021 (the "**Engagement Letter**"), and the addendum to the Engagement Letter between the Lead Underwriter and the Corporation dated July 21, 2021. This Agreement may be amended or modified in any respect by written instrument only.

(14) *Further Assurances*. Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

If this Agreement accurately reflects the terms of the transactions which we are to enter into and are agreed to by you, please communicate your acceptance by executing the enclosed copies of this Agreement where indicated and returning them to us.

[The remainder of this page has been left intentionally blank. Signature page follows.]

Yours very truly,

PARADIGM CAPITAL INC.

By: "*David Roland*"
David Roland
Chief Executive Officer

A.G.P./ALLIANCE GLOBAL PARTNERS

By: "*Thomas J. Higgins*"
Thomas J. Higgins
Managing Director

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

SPECTRAL MEDICAL INC.

By: "*Chris Seto*"
Chris Seto
Chief Executive Officer

SCHEDULE "A"
SUBSIDIARIES

This is Schedule "A" to the underwriting agreement dated as of July 23, 2021 between Spectral Medical Inc., Paradigm Capital Inc. and A.G.P./Alliance Global Partners

Name of Subsidiary	**Jurisdiction**	**Authorized and Issued Capital**	**Ownership Information**
Dialco Medical Inc.	Ontario	Unlimited common shares 100 issued and outstanding	100% owned directly by the Corporation
Spectral Diagnostics (US) Inc.	Delaware	2,000 common shares authorized 1 issued and outstanding	100% owned directly by the Corporation
Spectral Medical (US) Inc.	Delaware	5,000 shares of common stock authorized 100 shares of common stock issued and outstanding	100% owned directly by the Corporation

SCHEDULE "B"

DETAILS OF OUTSTANDING CONVERTIBLE SECURITIES AND RIGHTS TO ACQUIRE SECURITIES

This is Schedule "B" to the underwriting agreement dated as of July 23, 2021 between Spectral Medical Inc., Paradigm Capital Inc. and A.G.P./Alliance Global Partners

1. **Stock Options Outstanding as at July 23, 2021**

The Corporation has 9,807,680 stock options outstanding, each exercisable for one Common Share. The outstanding stock options are exercisable at prices between $0.30 and $0.63 per Common Share and expiring between February 28, 2022 and June 22, 2026.

2. **Warrants Outstanding as at July 23, 2021**

The Corporation has 4,760,000 Common Share purchase warrants outstanding, each exercisable for one Common Share, with 4,250,000 exercisable at an exercise price of $0.75 per Common Share and 510,000 exercisable at an exercise price of price of $0.60 per Common Share, and expiring on June 18, 2022

SCHEDULE "C"

COMPLIANCE WITH UNITED STATES SECURITIES LAWS

This is Schedule "C" to the underwriting agreement dated as of July 23, 2021 between Spectral Medical Inc., and Paradigm Capital Inc. and A.G.P./Alliance Global Partners

Capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Underwriting Agreement to which this Schedule "C" is annexed.

The following terms shall have the meanings indicated:

(a) "**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "C", it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Units and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Units;

(b) "**Foreign Issuer**" means "foreign issuer" as defined in Rule 902(e) of Regulation S;

(c) "**General Solicitation**" and "**General Advertising**" means "general solicitation" or "general advertising", as those terms are used under Rule 502(c) of Regulation D. Without limiting the foregoing, but for greater clarity, general solicitation or general advertising includes, but is not limited to, any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or on the internet, or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

(d) "**Offshore Transaction**" means an "offshore transaction" as that term is defined in Rule 902(h) of Regulation S;

(e) "**Qualified Institutional Buyer**" means a "qualified institutional buyer", as that term is defined in Rule 144A under the U.S. Securities Act;

(f) "**Qualified Institutional Buyer Letter**" means the qualified institutional buyer letter attached as an Exhibit I to the final U.S. Placement Memorandum;

(g) "**Regulation D**" means Regulation D adopted by the SEC under the U.S. Securities Act;

(h) "**Regulation S**" means Regulation S adopted by the SEC under the U.S. Securities Act;

(i) "**SEC**" means the United States Securities and Exchange Commission;

(j) "**Substantial U.S. Market Interest**" means substantial U.S. market interest as that term is defined in Rule 902(j) of Regulation S;

(k) "**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, including the rules and regulations adopted by the SEC thereunder; and

(l) "**U.S. Purchaser**" means any purchaser of Offered Units that is, or is acting for the account or benefit of, a U.S. Person or a person in the United States, or any person offered the Offered Units in the United States (except persons excluded from the

definition of U.S. Person pursuant to Rule 902(k)(2)(vi) of Regulation S), or that was in the United States when the buy order was made or when the Qualified Institutional Buyer Letter, pursuant to which it is acquiring Offered Units was executed or delivered.

Representations, Warranties and Covenants of the Underwriters

The Underwriters acknowledges that the Offered Units have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and the Offered Units may not be offered or resold by the Underwriters (through their U.S. Affiliates) to U.S. Purchasers except in accordance with an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Each Underwriter, on behalf of itself and its U.S. Affiliate, if applicable, represents, warrants, covenants and agrees to and with the Corporation severally, but not jointly, that:

1. It has not offered or resold, and will not offer or resell, at any time any Offered Units except (a) in Offshore Transactions to persons who are not acting for the account or benefit of a U.S. Person in compliance with Rule 903 of Regulation S, or (b) to U.S. Purchasers that are Qualified Institutional Buyers purchasing in each case in a resale transaction from a U.S. Affiliate in compliance with the exemption afforded by Rule 144A under the U.S. Securities Act and similar exemptions under state securities laws and as provided in paragraphs 2 through 15 below. Accordingly, neither the Underwriters, nor any of their respective affiliates (including the U.S. Affiliates) or any person acting on any of their behalf, has made or will make (except as permitted herein): (i) any offer to sell, or any solicitation of an offer to buy, any Offered Units to any person in the United States or to, or for the account of, a U.S. Person or a person in the United States, (ii) any sale of Offered Units to any Purchaser unless, at the time the buy order was or will have been originated, the Purchaser was outside the United States and not acting to or for the account or benefit of a U.S. Person or a person in the United States, or the Underwriters, its affiliates (including the U.S. Affiliate) or any person acting on any of their behalf, reasonably believed that such Purchaser was outside the United States and not acting to or for the account or benefit of a U.S. Person or a person in the United States, or (iii) any Directed Selling Efforts.

2. It has not entered and will not enter into any contractual arrangement with respect to the purchase and sale of the Offered Units except with the U.S. Affiliate, any selling group members or with the prior written consent of the Corporation. The Underwriters shall require the U.S. Affiliate to agree, and each selling group member to agree, for the benefit of the Corporation, to comply with, and shall use its commercially reasonable efforts to ensure that the U.S. Affiliate and each selling group member complies with, the same provisions of this Schedule "C" as apply to the Underwriters as if such provisions applied to the U.S. Affiliate and such selling group member.

3. Each Underwriter represents and warrants that all offers of Offered Units for resale in the United States or to of for the account of a U.S. Person have been or will be made by it in the United States, have been or will be made through a U.S. Affiliate in compliance with all applicable U.S. federal and state broker-dealer requirements. Each U.S. Affiliate is duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the securities laws of each state in which such offers and sales were or will be made (unless exempted from the respective state's broker-dealer registration requirements), and a member in good standing with the Financial Industry Regulatory Authority, Inc.

4. None of the Underwriters, their respective affiliates (including their respective U.S. Affiliates), or any person acting on any of their behalf has utilized, and none of such persons will utilize, any form of General Solicitation or General Advertising in connection with the offer of the Offered Units by the

Underwriters through its U.S. Affiliate for sale by the Corporation in the United States, or has offered or will offer any Offered Units in any manner involving a public offering in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act.

5. Immediately prior to soliciting U.S. Purchasers, each of the Underwriters, their respective affiliates (including their respective U.S. Affiliates), and any person acting on its or their behalf had reasonable grounds to believe and did believe that each potential Purchaser was either: (i) an Institutional Accredited Investor, or (ii) a Qualified Institutional Buyer, in each case with respect to which the Underwriters or their respective affiliates (including their respective U.S. Affiliates) has a pre-existing business relationship; and at the time of completion of each resale to a person in the United States or to, or for the account or benefit of, U.S. Persons, the Underwriters, their respective affiliates (including their respective U.S. Affiliates), and any person acting on its or their behalf will have reasonable grounds to believe and will believe, that each such Purchaser is a Qualified Institutional Buyer or an Institutional Accredited Investor.

6. All potential Purchasers of the Offered Units in the United States or to, or for the account or benefit of, a U.S. Person, solicited by it shall be informed that the Offered Units have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and that the Offered Units are being offered and resold to such U.S. Purchasers by a U.S. Affiliate pursuant to the exemption afforded by Rule 144A under the U.S. Securities Act and similar exemptions under state securities laws.

7. It agrees to deliver, through the U.S. Affiliate, if applicable, to each potential U.S. Purchaser to whom it offers to resell or from whom it solicits any offer to buy the Offered Units the U.S. Placement Memorandum, including the Prospectus, as applicable. No other written material will be used in connection with the offer or resale of the Offered Units to U.S. Purchasers.

8. Prior to completion of any sale of Offered Units in the United States or to, or for the account or benefit of, a U.S. Person or a person in the United States, each such Purchaser thereof that is purchasing Offered Units will be required to provide to the Underwriters, or the U.S. Affiliate offering and reselling the Offered Units in the United States or to or for the account or benefit of a U.S. Person or a person in the United States, if applicable, an executed Qualified Institutional Buyer Letter. The Underwriters shall provide the Corporation with copies of all such completed and executed Qualified Institutional Buyer Letters.

9. At least two Business Days prior to the Closing Date, it will provide the Corporation with a list of all U.S. Purchasers.

10. At the Closing, the Underwriters will, together with the U.S. Affiliate, provide a certificate, substantially in the form of Annex I to this Schedule "C", relating to the manner of the offer and sale of the Offered Units to U.S. Purchasers, or will be deemed to have represented that they did not offer or sell Offered Units to U.S. Purchasers.

11. None of it, any of its affiliates (including, the U.S. Affiliate) or any person acting on any of their behalf has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer and resale of the Offered Units.

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, covenants and agrees as at the date hereof and as at the Closing Date that:

1. The Corporation is, and at the Closing Date will be, a Foreign Issuer with no Substantial U.S. Market Interest in its common shares.

2. The Corporation is not, and following the application of the proceeds from the sale of the Offered Units will not be, registered or required to be registered as an "investment company" under the United States Investment Company Act of 1940, as amended.

3. The offering of the Offered Units to U.S. Purchasers by the Underwriters through its U.S. Affiliate for sale by the Corporation is not prohibited pursuant to a court order issued pursuant to Section 12(j) of the U.S. Exchange Act and any rules or regulations promulgated thereunder.

4. Except with respect to offers and resales made by a U.S. Affiliate in accordance with this Agreement (including this Schedule "C") to, or for the account or benefit of, persons in the United States or U.S. Persons that are Qualified Institutional Buyers in reliance upon the exemption from registration afforded by Rule 144A under the U.S. Securities Act, none of the Corporation, its affiliates, or any person acting on any of their behalf (other than the Underwriters, the U.S. Affiliate, their respective affiliates or any person acting on any of their behalf, in respect of which no representation, warranty, covenant or agreement is made), has made or will make: (a) any offer to sell, or any solicitation of an offer to buy, any Offered Units to a person in the United States or to, or for the account or benefit of, a U.S. Person or a person in the United States; or (b) any sale of Offered Units unless, at the time the buy order was or will have been originated, (i) the Purchaser is outside the United States and not acting to or for the account or benefit of a U.S. Person or a person in the United States or (ii) the Corporation, its affiliates, and any person acting on any of their behalf reasonably believe that the Purchaser is outside the United States and not acting to or for the account or benefit of a U.S. Person or a person in the United States.

5. During the period in which Offered Units are offered for sale, none of the Corporation, its affiliates, or any person acting on any of their behalf (other than the Underwriters, the U.S. Affiliate, their respective affiliates or any person acting on its or their behalf, in respect of which no representation, warranty, covenant or agreement is made) has engaged in or will engage in any Directed Selling Efforts or has taken or will take any action that would cause the exemptions afforded by Rule 144A under the U.S. Securities Act to be unavailable for offers and resales of Offered Units or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of Offered Units outside the United States to non-U.S. Persons in accordance with the Writing Agreement, including this Schedule "C".

6. None of the Corporation, its affiliates or any person acting on any of their behalf (other than the Underwriters, the U.S. Affiliate, their respective affiliates or any person acting on its or their behalf, in respect of which no representation, warranty, covenant or agreement is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, Offered Units to U.S. Purchasers by means of any form of General Solicitation or General Advertising or has taken or will take any action that would constitute a public offering of the Offered Units in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act.

7. None of the Corporation, any of its affiliates or any person acting on any of their behalf (other than the Underwriters, the U.S. Affiliate, their respective affiliates, or any person acting on of its or their behalf, in respect of which no representation, warranty, covenant or agreement is made) has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Offered Units.

8. None of the Corporation or any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.

General

The Underwriters (and its U.S. Affiliate) on the one hand, and the Corporation on the other hand, understand and acknowledge that the other parties hereto will rely on the truth and accuracy of the representations, warranties, covenants and agreements contained herein.

ANNEX I TO SCHEDULE "C"

UNDERWRITERS' CERTIFICATE

In connection with the private placement in the United States of Offered Units of the Corporation pursuant to the Writing Agreement, the undersigned Underwriters and their respective U.S. Affiliates, do hereby certify as follows:

(a) the Offered Units have been offered and resold by us in the United States only by a U.S. Affiliate which was on the dates of such offers and sales, and is on the date hereof, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act, and under the securities laws of each state in which such offers and sales were made (unless exempted from the respective state's broker-dealer registration requirements) and was and is a member in good standing with the Financial Industry Regulatory Authority, Inc.;

(b) immediately prior to transmitting the U.S. Placement Memorandum to offerees in the United States or to or for the account or benefit of a U.S. Person or a person in the United States, we had reasonable grounds to believe and did believe that each such person was a Qualified Institutional Buyer, and we continue to believe that each U.S. Purchaser of Offered Units that we have resold the Offered Units to is a Qualified Institutional Buyer on the date hereof;

(c) all offers and sales of the Offered Units by us in the United States have been effected in accordance with all applicable U.S. federal and state broker-dealer requirements;

(d) no form of General Solicitation or General Advertising was used by us in connection with the offer and sale of the Offered Units in the United States;

(e) prior to any sale of Offered Units in the United States or to, or for the account or benefit of, a U.S. Person, each such Purchaser thereof that is purchasing Offered Units from us provided an executed Qualified Institutional Buyer Letter annexed to the final U.S. Placement Memorandum as an Exhibit I, and we provided the Corporation with copies of all such completed and executed exhibits and schedules;

(f) neither we, nor our affiliates or any person acting on any of our behalf have taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Offered Units;

(g) prior to the purchase of any Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, each such offeree was provided with a copy of the U.S. Placement Memorandum, and no other written material, other than the U.S. Placement Memorandum and any Supplementary Material approved by the Corporation for use in presentations to prospective purchasers, was used by us in connection with the offering of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons;

(h) all purchasers in the United States or who are, or purchased for the account or benefit of, U.S. Persons who were offered the Offered Units have been informed that the Offered Units have not been and will not be registered under the U.S. Securities Act and are being offered and resold to such purchasers without registration in reliance on available exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws; and

(i) the offering of the Offered Units has been conducted by us in accordance with the terms of the Underwriting Agreement, including Schedule "C" attached thereto.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement (including Schedule "A" attached thereto) unless defined herein.

DATED as of this _____ day of _____, 2021.

[NAME OF UNDERWRITER]	**[NAME OF U.S. AFFILIATE]**
By: _____	By: _____
Authorized Signing Officer	Authorized Signing Officer