Execution Version

UNDERWRITING AGREEMENT

May 30, 2024

Spectral Medical Inc.
135 - 2 The West Mall
Toronto, Ontario M9C 1C2
Attention: Chris Seto, Chief Executive Officer & Director

Dear Mesdames/Sirs:

Paradigm Capital Inc. ("**Paradigm**" or the "**Underwriter**"), as sole underwriter hereby offers to purchase from Spectral Medical Inc. (the "**Corporation**") and the Corporation hereby agrees to issue and sell to the Underwriter, on a "bought deal" private placement basis, an aggregate of approximately C$8,500,000 in aggregate principal amount of 9.0% unsecured convertible senior notes (the "**Initial Notes**") at a price of US$1,000 per Initial Note (the "**Offering Price**") due on May 1, 2028 (the "**Maturity Date**") pursuant to the terms of securities purchase agreements to be entered into by the Corporation and each subscriber of Initial Notes (each, a "**Subscription Agreement**"). Holders of the Initial Notes may convert all or any portion of the Initial Notes in integral multiples of US$1,000 principal amount at any time prior to the Maturity Date into Common Shares (as defined herein). The conversion price for the Initial Notes is equal to C$0.52, subject to customary anti-dilution adjustments.

The Corporation also hereby grants to the Underwriter an option (the "**Over-Allotment Option**"), which may be exercised by the Underwriter in whole or in part in the Underwriter's sole discretion and without obligation, to purchase up to an additional C$1,275,000 of Initial Notes at the Offering Price (the "**Additional Notes**") on or before 48 hours prior to the Closing Date (as defined herein), by giving written notice to the Corporation.

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

Subject to the terms and conditions hereof, the Underwriter agrees to act as, and the Corporation appoints the Underwriter as the sole and exclusive underwriter of the Corporation in connection with the Offering to purchase all of the Offered Notes from the Corporation at the Offering Price on a private placement basis and to secure subscriptions therefor from Substituted Purchasers (as defined below) resident in such provinces and territories of Canada or internationally (including the United States) as the Underwriter and the Corporation may designate (the "**Offering Jurisdictions**"), in each case on and subject to the terms of this Agreement.

In consideration of the services rendered by the Underwriter in connection with the Offering, the Corporation shall pay to the Underwriter at the Closing Time (as defined herein), as set forth in Section 12, a cash commission equal to 6.0% of the gross proceeds from the Offering (the "**Commission**"). In addition, at the Closing Time, the Underwriter will be granted compensation options (the "**Compensation Options**") equal in number to 6.0% of the maximum number of Shares issuable upon conversion of the Offered Notes sold under the Offering (including in respect of those Purchasers settling directly with the Corporation). Each Compensation Option entitles the holder thereof to acquire one Share (a "**Compensation Option Share**") at an exercise price equal to C$0.45 the Offering Price until the date that is four (4) years following the Closing Date, pursuant to the terms of the compensation option certificate (the "**Compensation Option Certificate**"). The obligation of the Corporation to pay the Commission and issue and deliver the Compensation Options Warrants shall arise at the Closing Time and the Commission and the Compensation Options shall be fully earned by the Underwriter upon the completion of the Offering.

The Underwriter may arrange for substituted purchasers (the "**Substituted Purchasers**") for the Offered Notes, where such Substituted Purchasers are resident in the Offering Jurisdictions and in such manner so that no

prospectus, registration statement, offering memorandum or similar document is required to be filed or delivered in connection therewith with applicable Securities Regulators (as defined herein). Each Substituted Purchaser shall purchase the Offered Notes at the Offering Price, and to the extent that Substituted Purchasers purchase Offered Notes, the obligations of the Underwriter to do so will be reduced by the number of Offered Notes purchased by the Substituted Purchasers from the Corporation.

The Underwriter shall be entitled to appoint a selling group (each a "**Selling Group**") consisting of other registered dealers in accordance with applicable Securities Laws for the purposes of arranging for Substituted Purchasers of the Offered Notes. Any investment dealer who is a member of any Selling Group formed by the Underwriter pursuant to the provisions of this Agreement, or with whom the Underwriter has a contractual relationship with respect to the Offering, if any, shall agree with the Underwriter to comply with the covenants and obligations given by the Underwriter herein. The fee payable to any such investment dealer who is a member of any Selling Group shall be for the account of the Underwriter; provided that such remuneration shall not in any way increase the aggregate Commission or number of Compensation Options payable to the Underwriter by the Corporation under this Agreement.

The parties acknowledge that the Offered Notes 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 Underwriter 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 Underwriter 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.

TERMS AND CONDITIONS

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

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 Notes**" 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, 2023 and 2022, statement of profit or loss, statement of changes in shareholders' equity and statement of cash flows for the years ended December 31, 2023 and 2022, 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;

"**Baxter Distribution Agreement**" means the exclusive distribution agreement between the Corporation and Baxter International Inc. dated February 3, 2020, as amended October 28, 2022, September 6, 2023 and February 1, 2024, and including the side letter agreement in respect of clinical study data disclosure between the Corporation and Baxter International Inc. dated February 1, 2024;

"**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;

"**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 Financial Statements and the annual information form of the Corporation dated March 28, 2024;

"**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 Selling 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 Selling Jurisdictions, including the rules and policies of the TSX;

"**Claims**" has the meaning ascribed thereto in Section 11 of this Agreement;

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

"**Closing Date**" means the day on which the Closing shall occur, being May 30, 2024 or such earlier or later date as may be agreed to in writing by the Corporation and the 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 Underwriter;

"**Commission**" has the meaning ascribed thereto in Section 12 of this Agreement;

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

"**Compensation Option Share**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

"**Compensation Option Certificate**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

"**Compensation Options**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

"**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 January 3, 2024;

"**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;

"**DIMI**" means i-Dialco's renal replacement instrument aimed at the home hemodialysis market;

"**distribution**" means distribution or distribution to the public, as the case may be, for the purposes of 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 7(lll) 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.

"**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;

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

"**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 11 of this Agreement;

"**Indemnitor**" has the meaning ascribed thereto in Section 11 of this Agreement;

"**Initial Notes**" 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, 2024, 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;

"**Joint Venture Agreement**" means the joint venture and unanimous shareholders agreement dated December 12, 2022 between the Corporation, Informed SA and i-Dialco pursuant to which the Corporation acquired a 30% undivided interest in i-Diaclo;

"**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 11 of this Agreement;

"**Material Adverse Effect**" means any event, change, fact, or state of being 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;

"**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;

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

"**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;

"**Money Laundering Laws**" has the meaning ascribed to such term in Section 6(dd) of this Agreement;

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

"**Offered Notes**" 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 Jurisdictions**" has the meaning ascribed thereto in the four paragraph of this Agreement;

"**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;

"**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;

"**Public Disclosure Record**" means, collectively, all of the documents which have been filed on www.sedarplus.ca by or on behalf of the Corporation with the Securities Commissions pursuant to the requirements of Canadian Securities Laws since January 1, 2019;

"**Purchasers**" means, collectively, each of the purchasers of Offered Notes arranged by the Underwriter, including the Substituted Purchasers, in connection with the Offering, who (as purchasers or beneficial purchasers) acquire Offered Notes by duly completing, executing and delivering Subscription Agreements and any other required documentation and permitted assigns or transferees of such persons from time to time including, if applicable, the Underwriter;

"**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;

"**SAMI**" means i-Dialco'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 provinces of Canada, other than Quebec;

"**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 Plus of the Canadian Securities Administrators;

"**Selling Group**" has the meaning ascribed thereto in the seventh paragraph of this Agreement;

"**Selling Jurisdictions**" means, collectively, each of the provinces and territories of Canada and internationally (including the United States) where the Offered Notes may lawfully be sold on a basis exempt from the prospectus requirements;

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

"**Standard Listing Conditions**" means the post-Closing listing conditions imposed by the TSX pursuant to the conditional approval letter dated May 28, 2024 issued by the TSX to the Corporation connection with the Offering;

"**Subscription Agreement**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

"**Subsidiaries**" means collectively, Dialco Medical Inc. (existing under the Act), 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, Dialco Medical (US) Inc., an indirect-owned subsidiary (existing under the laws of the State of Delaware), 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;

"**Taxes**" has the meaning ascribed to such term in Section 7(bb) 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 Underwriter or their counsel);

"**Transaction Documents**" means, collectively, this Agreement, the Compensation Option Certificates, the Subscription Agreement and the certificates representing the Offered Notes;

"**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;

"**Underwriter**" 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 Underwriter;

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

"**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.

(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 $, C$ or to "dollars" shall refer to the lawful currency of Canada, and any reference to US$ or to "United States dollars" shall refer to the lawful currency of the United States of America, 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" Existing Rights
Schedule "C" Compliance with United States Securities Laws

Section 2 The Offering and Sale of the Offered Notes

(a) **Sale on Exempt Basis**. The Corporation understands that, although the offer to act as underwriter with respect to the Offered Notes is made hereunder by the Underwriter to the Corporation as purchasers, the Underwriter shall have the right to and shall use their commercially reasonable efforts to arrange for the Offered Notes to be purchased by the Purchasers:

(i) in the applicable Offering Jurisdictions in Canada on a private placement basis in compliance with Canadian Securities Laws such that the offer and sale of the Offered Notes does not obligate the Corporation to file a prospectus or deliver an offering memorandum; and

(ii) in such other Offering Jurisdictions outside of Canada as consented to by the Corporation on a private placement basis in compliance with all applicable Securities Laws of such other Offering Jurisdictions provided that no prospectus, registration statement, offering memorandum or similar document is required to be filed in such Offering Jurisdiction, no registration or similar requirement would apply with respect to the Corporation in such other Offering Jurisdictions and the Corporation does not thereafter become subject to on-going continuous disclosure obligations under all applicable Securities Laws of such Offering Jurisdiction.

(b) **U.S. Securities Act**. The parties to this Agreement acknowledge that the Offered Notes have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons except that the Offered Notes may be offered and sold to, or for the account or benefit of, persons in the United States or U.S. Persons pursuant to transactions that are exempt from the registration requirements of the U.S. Securities Act and the applicable laws of any U.S. state. Accordingly, the Corporation and the Underwriter hereby agree that all offers and sales of the Offered Notes in the United States or to, or for the account or benefit of, U.S. Persons, shall be conducted only in the manner specified in Schedule "C", which terms and conditions are hereby incorporated by reference in and shall form a part of this Agreement.

(c) **Filings**. The Corporation undertakes to file, or cause to be filed, all forms or undertakings required to be filed by the Corporation in connection with the issue and sale of the Offered Notes (including a Form 45-106F1 and Form 72-503F with the applicable Securities Regulators in Canada) so that the distribution of the Offered Notes to the Purchasers may lawfully occur without the necessity of filing a prospectus, registration statement or other offering document in the Offering Jurisdictions, but on terms that will permit the Offered Notes acquired by the Purchasers to be sold by such Purchasers at any time in the Offering Jurisdictions, subject to applicable hold periods under Securities Laws and the Underwriter undertakes to use their commercially reasonable efforts to cause Purchasers of Offered Notes to complete any forms required by Canadian Securities Laws or applicable Securities Laws of the other Offering Jurisdictions. All prescribed fees payable in connection with filings that the Corporation is obligated to make shall be at the expense of the Corporation.

(d) **Other Obligations**. Neither the Corporation nor the Underwriter shall: (i) provide to any prospective purchasers of Offered Notes any document or other material that would constitute an offering memorandum within the meaning of applicable Securities Laws; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Offered Notes, including any advertisement, article, notice or other communication published in any newspaper, magazine, printed public media, printed media or similar media, or broadcast over radio, television or telecommunications, including electronic display, or any seminar or meeting relating to the offer and sale of the Offered Notes whose attendees have been invited by general solicitation or advertising.

Section 3 Material Changes During Distribution

During the distribution period, the Corporation shall promptly notify the Underwriter (and, if requested by the Underwriter, confirm such notification in writing) of any material change or change in a material fact (in either case, whether actual, anticipated, contemplated or threatened, financial or otherwise) or any event or development involving a prospective material change or a change in a material fact or any other material change in the business, affairs, operations, assets (including information or data relating to the estimated value or book value of assets), liabilities (contingent or otherwise), capital, ownership, control or management of the Corporation which would constitute a material change to, or a change in a material fact concerning the Corporation.

During the distribution period, the Corporation shall promptly, and in any event, within any applicable time limitation, comply with all applicable filings and other requirements under Securities Laws as a result of such change. During such period, the Corporation shall in good faith discuss with the Underwriter any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing need be given to the Underwriters pursuant to this Section 3.

Section 4 Diligence.

Prior to the Closing Time, the Corporation shall: (i) allow the Underwriter and its representatives the opportunity to conduct all due diligence investigations which the Underwriter may reasonably require to be conducted in connection with the Offering prior to and until the Closing Time; (ii) make available to the Underwriter (and its counsel), on a timely basis all books and records including all corporate, financial, property, legal and operational information and documentation of the Corporation as may be reasonably necessary in connection with the Offering, and will provide reasonable access to facilities, properties, employees, auditors, legal counsel, consultants or other experts of the Corporation, to permit the Underwriter, its legal counsel and other advisers to conduct their due diligence investigation of the business and affairs of the Corporation and its Subsidiaries; (iii) assist the Underwriter in sourcing any other information useful and necessary in conducting such due diligence; and (iv) make available its senior management and its legal counsel to answer any questions which the Underwriter may have and to participate in one or more due diligence sessions to be held prior to Closing.

Section 5 Regulatory Approvals.

The Corporation will make all necessary filings, obtain all necessary consents and approvals and pay all filing fees required to be paid in connection with the transactions contemplated by this Agreement.

Section 6 Representations and Warranties of the Corporation.

The Corporation represents and warrants to the Underwriter as follows, and acknowledges that the Underwriter is relying upon such representations and warranties in connection with the offer and sale of the Offered Notes:

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 Notes and Compensation Options and to enter into and carry out its obligations under the Transaction Documents.

(b) *Good Standing and Ownership of Subsidiaries*. The Corporation's only 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 owns, directly or indirectly, 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 Corporation does not have any Subsidiary which is material to it that carries on any business, or that holds any material assets or liabilities.

(c) *Equity Investees or Other Interests*. Other than pursuant to the Joint Venture Agreement and as disclosed in the Financial Statements, 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 May 29, 2024, 279,988,014 Common Shares were issued and outstanding as fully paid and non-assessable shares in the capital of the Corporation.

(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 Notes, 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 its 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 issuable upon conversion of the Offered Notes and any Compensation Option Shares issuable upon the exercise of the Compensation Options 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 Notes or the issuance of the Compensation Options 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) *Material Agreements*. All Material Agreements have been filed under the Public Disclosure Record, 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.

(p) *Absence of Debt Instruments*. Other than pursuant to the Offering and as disclosed in the Financial Statements, 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.

(q) *Absence of Breach or Default*. The Corporation is not in breach or default of, and the execution and delivery of this Agreement, the Subscription Agreements, and the Compensation Option Certificate, and the performance by the Corporation of its obligations hereunder or thereunder, the issue and sale of the Offered Notes, the Compensation Options, 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.

(r) *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.

(s) *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, 2024, other than as required by IFRS and as disclosed in the applicable Financial Statements.

(t) *No Material Changes*. Since the date of the Annual Financial Statements, other than as disclosed in the Public Disclosure Record:

(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.

(u) *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.

(v) *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.

(w) *Accounting Policies.* There has been no change in accounting policies or practices of the Corporation or any Subsidiary respectively since March 31, 2024, other than the adoption of certain additional IFRS measures as disclosed in the Financial Statements.

(x) *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.

(y) *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.

(z) *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.

(aa) *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.

(bb) *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.

(cc) *Anti-Bribery Laws.* Neither the Corporation nor any Subsidiary nor, to the knowledge of the Corporation, any director, officer, employee, consultant, representative or agent 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.

(dd) *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.

(ee) *Directors and Officers.* Except as disclosed to the Underwriter, 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.

(ff) *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.

(gg) *Minute Books and Records*. The minute books and records of the Corporation and the Subsidiaries which the Corporation has made available to the Underwriter and its 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.

(hh) *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.

The Offering

(ii) *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. Any 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.

(jj) *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) to validly create, issue and sell the Offered Notes; (iii) grant the Over-Allotment Option; and (v) validly create and issue the Compensation Options.

(kk) *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.

(ll) *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 issuance, creation, sale and delivery, as applicable, of the Offered Notes and the Compensation Options, and the grant of the Over-Allotment Option; and (ii) 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 pursuant to Securities Laws or the rules of the TSX, including in compliance with Securities Laws regarding the distribution of the Offered Notes and the Over-Allotment Option in the Selling 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.

(mm) *Validly Issued Notes*. The Offered Notes 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, the Subscription Agreement and the certificates representing the Offered Notes, and the Offered Notes will be validly issued, and the Common Shares issuable upon conversion of the Offered Notes have been, or prior to the Closing Time will be, duly and validly authorized for issuance and, upon conversion of the Offered Notes in accordance with the terms and conditions of the Subscription Agreement and the certificates representing the Offered Notes, and such Common Shares, if and when issued, will be validly issued as fully paid and non-assessable Common Shares.

(nn) *Validly Issued Compensation Options*. The Compensation Options 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 Compensation Option Certificate, the Compensation Options will be validly issued.

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

(pp) *Fees and Commissions*. Other than the Underwriter (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 the transactions contemplated herein.

(qq) *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).

(rr) *Qualified Investments.* The Offered Notes 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, tax-free savings accounts and first home savings accounts.

(ss) *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.

<u>*Business, Properties and Assets*</u>

(tt) *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.

(uu) *Compliance with Laws, Regulatory Approvals and Authorizations*. All operations of the Corporation, its affiliates 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.

(vv) *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.

(ww) *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.

(xx) *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 has 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.

(yy) *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.

(zz) *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 with all Applicable Laws, in all material respects. 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 Public Disclosure Record 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 Public Disclosure Record.

(aaa) *Operation of Business*.

(i) all products of the Corporation, including, but not limited to, the PMX Product, EAA Product, 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 and the TIGRIS Study, 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;

(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; and

(iii) in accordance with the terms of the Joint Venture Agreement, the Corporation has the right to procure SAMI units if required for clinical trial activities and commercialization efforts which the Corporation may require for the PMX Product.

(bbb) *Clinical Studies.* All pre-clinical and clinical trials conducted by, or on behalf of, the Corporation or any of its Subsidiaries or affiliates, or in which the Corporation or any of its Subsidiaries or affiliates has participated, or anticipates participating in, that are described in the Public Disclosure Record, including the EUPHRATES Study, the TIGRIS Study, and, prior to the date of the Joint Venture Agreement, the usability trial to demonstrate the safety and efficacy of DIMI for performing hemodialysis in hospital or clinical settings, or the results of which are referred to in the Public Disclosure Record, 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 Public Disclosure Record, if any, or the results of which are referred to in the Public Disclosure Record.

(ccc) *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.

(ddd) *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.

(eee) *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.

(fff) *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.

(ggg) *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.

(hhh) *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.

(iii) *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.

<u>*Employment Matters*</u>

(jjj) *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.

(kkk) *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.

(lll) *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.

(mmm) *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 7 Covenants of the Corporation.

The Corporation covenants and agrees with the Underwriter, and acknowledges that it is relying on such covenants in connection with the offer and sale of the Offered Notes, as follows:

(1) *Delivery of Transaction Documents.* The Corporation has duly executed and delivered this Agreement and will duly execute and deliver the Subscription Agreements and the Compensation Option Certificate at the Closing Time, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Corporation.

(2) *Standstill*. The Corporation will not, directly or indirectly, for a period commencing on the date of this Agreement and ending four months and one day after the Closing Date, without the prior written consent of the Underwriter, 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, any Common Shares issuable upon conversion of the Offered Notes and any Common Shares issuable upon exercise of the Compensation Options); (ii) pursuant to the grant of securities pursuant to the Corporation's long-term incentive plan ("**LTIP**"); (iii) pursuant to the exercise or conversion, as applicable, of securities issued pursuant to the LTIP or legacy stock option plan, or the exercise of warrants or compensation options, each outstanding as at the date hereof; (iv) to Birch Hill or Toray in connection with any exercise by them of their respective participation rights; (v) in connection with the *bona fide* acquisition by the Corporation of the shares or assets of other corporations or entities; or (vi) pursuant to the conversion of the 2022 Notes or the 2023 Notes (each as defined in Schedule "B" hereto).

(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 Underwriter signed lock-up agreements, in form and content acceptable to the Underwriter, 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 four months and one day 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 Underwriter, 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 Reporting Jurisdictions, until at least the Maturity 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 Underwriter may approve, acting reasonably, until at least the Maturity 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 Notes and Underlying Shares*. The Corporation will ensure that the Offered Notes are duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement, the Subscription Agreement and the certificates representing the Offered Notes, and the Corporation will ensure, at all times prior to the Maturity Date, that sufficient Common Shares are authorized and allotted for issuance upon due and proper conversion of the Offered Notes, and upon issuance in accordance with the terms of the Subscription Agreement and the certificates representing the Offered Notes, such Common Shares shall be validly issued as fully paid and non-assessable Common Shares.

(7) *Validly Issued Compensation Options*. The Corporation will ensure that the Compensation Options 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 Compensation Option Certificate.

(8) *Validly Issued Compensation Shares*. The Corporation will ensure, at all times prior to the date that is 48 months from the Closing Date, that sufficient Compensation Option Shares are authorized and allotted for issuance upon due and proper exercise of the Compensation Options, and upon issuance in accordance with the terms of the Compensation Option Certificate, the Compensation Option Shares shall be validly issued as fully paid and non-assessable Common Shares.

(9) *Use of Proceeds*. The Corporation will use the net proceeds of the Offering on its Phase III registration trial (TIGRIS Study) for its PMX Product treatment for endotoxemic septic shock and for general corporate and working capital purposes.

(10) *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.

(11) *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 7 hereof.

Section 8 Representations, Warranties and Covenants of the Underwriter.

(1) The Underwriter hereby represents and warrants to the Corporation, that:

(a) *Registration*. The Underwriter and each member of the Selling Group 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 Underwriter has 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) *General Solicitation or Advertising*. The Underwriter and its affiliates have not and will not (i) deliver to any prospective Purchaser any document or material which constitutes an offering memorandum as defined under applicable Securities Laws and other applicable securities laws of other jurisdictions and (ii) have not engaged in any form of general advertising or any form of general solicitation in connection with the Offering in: (a) printed media of general and regular circulation or any similar medium; (b) radio; (c) television; or (d) electronic media, nor shall it conduct any seminar or meeting concerning the offer and sale of the Offered Shares whose attendees have been invited by any form of general solicitation or general advertising.

(d) *No Prospectus or Registration Requirement*. The Underwriter has not and will not solicit offers to purchase or sell the Offered Notes so as to require the filing of a prospectus, registration statement or offering memorandum with respect thereto or the provision of a contractual right of action under the laws of any jurisdiction.

Section 9 Conditions of Closing.

The Underwriter's obligation to complete the Closing pursuant to this Agreement (including the obligation to arrange for the purchase and sale of the Offered Notes 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 Underwriter 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 Underwriter in the other Selling Jurisdictions 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 Underwriter and the Purchasers, 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 each of the Provinces of Canada 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 Notes and the Compensation Options, 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 Notes and the Compensation Options 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 Offered Notes and the Compensation Options 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) the Initial Notes have been duly and validly created and issued, and, when issued, will be fully paid Initial Notes in accordance with the provisions of the Subscription Agreement and the certificates representing the Initial Notes;

(j) the Over-Allotment Option has been duly and validly authorized and granted by the Corporation and the Additional Notes 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 Notes will be validly created and issued;

(k) the Common Shares issuable upon conversion of the Offered Notes have been duly and validly allotted and authorized for issuance, and upon due conversion of the Offered Notes in accordance with the provisions of the Subscription Agreement and the certificates representing the Offered Notes, such Common Shares will be validly issued as fully paid and non-assessable Common Shares;

(l) the Compensation Options have been duly and validly created and issued and the Compensation Option Shares have been duly and validly allotted and authorized for issuance and, upon the due exercise of the Compensation Options in accordance with the provisions of the Compensation Option Certificate, the Compensation Option Shares will be validly issued as fully paid and non-assessable Common Shares;

(m) the offering, issuance and sale by the Corporation of the Offered Notes through the Underwriter to the Purchaser resident in the Selling Jurisdictions in Canada and the issuance and delivery of the Compensation Options in Canada to the Underwriter in accordance with the terms of this Agreement and the Subscription Agreement is exempt from the prospectus requirements under Canadian Securities Laws in the Selling Jurisdictions and no documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under Canadian

Securities Laws to permit such issuance and sale; it being noted, however, that the Corporation is required to file or cause to be filed with the applicable securities regulators, a report on Form 45-106F1 prepared and executed pursuant to National Instrument 45-106 – *Prospectus Exemptions*, and, if applicable a report on Form 72-503F prepared and executed pursuant to Ontario Securities Commission Rule 72-503 – *Distributions Outside Canada*, together with the prescribed filing fee, within ten days of the Closing Date;

(n) no prospectus is required nor are any other documents, proceedings or approvals, permits, consents or authorizations of regulatory authorities required to be filed, taken or obtained (other than those which have been filed, taken or obtained) under Canadian Securities Laws to permit the issuance by the Corporation of the Common Shares on conversion of the Offered Notes and Compensation Option Shares on the exercise of the Compensation Options in accordance with their terms;

(o) the first trade of the Offered Notes, including any Common Shares issuable upon conversion of the Offered Notes, and the Compensation Option Shares issuable upon exercise of the Compensation Options, is exempt from the prospectus requirements of applicable Canadian Securities Laws and no prospectus, offering memorandum or other document is required to be filed, no proceeding is required to be taken and no approval, permit, consent or authorization of regulatory authorities is required to be obtained by the Corporation under applicable Canadian Securities Laws to permit such trade through registrants registered under Canadian Securities Laws who have complied with such laws and the terms and conditions of their registration, provided that at the time of such trade:

(i) the Corporation is and has been a "reporting issuer", as defined in Canadian Securities Laws, in a province or territory of Canada for the four months immediately preceding the trade;

(ii) at least four months have elapsed from the "distribution date" (as such term is defined in National Instrument 45-102 – *Resale of Securities* ("**NI 45-102**")) of the applicable security;

(iii) the certificates representing the securities that are the subject of the trade were issued with a legend stating the prescribed restricted period in accordance with Section 2.5(2)3(i) of NI 45-102, or if the securities are entered into a direct registration or other electronic book entry system, or if the Purchaser did not directly receive a certificate representing the security, the Purchaser received written notice containing the legend restriction notation set out in Section 2.5(2)3(i) of NI 45-102;

(iv) the trade is not a control distribution (as defined in NI 45-102);

(v) no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade;

(vi) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and

(vii) if the Purchaser is an insider or officer of the Corporation at the time of the trade, the Purchaser has no reasonable grounds to believe that the Corporation is in default of the securities legislation (as defined in National Instrument 14-101- *Definitions*); and

(p) subject only to the Standard Listing Conditions, the Common Shares issuable upon conversion of the Offered Notes and the Compensation Option Shares have been conditionally approved for listing on the TSX,

in form and substance acceptable to the Underwriter and its counsel, acting reasonably.

(2) *U.S. Securities Opinion*. If any Offered Notes are being sold to persons in the United States pursuant to Schedule "C" to this Agreement, the Underwriter shall have received an opinion from the U.S. legal counsel to the Corporation, addressed to the Underwriter, in form and substance reasonably satisfactory to the Underwriter, to the effect that registration under the U.S. Securities Act is not required in connection with the offer of the Offered Notes by the Underwriter 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 Notes.

(3) *Officers' Certificate*. The Underwriter 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 Underwriter, in form and substance satisfactory to the Underwriter, acting reasonably, with respect to:

(a) the constating documents of the Corporation;

(b) the resolutions of the directors of the Corporation relevant to the sale of the Offered Notes, 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.

(4) *Certificates of Status*. The Underwriter 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.

(5) *Issued and Outstanding Certificate*. The Underwriter 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.

(6) *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 Underwriter, acting reasonably, prior to the Closing Date, it being understood that the Underwriter will do all that is reasonably required to assist the Corporation to fulfil this condition.

(7) *Stock Exchange Approval*. Subject only to satisfaction by the Corporation of the Standard Listing Conditions, the Common Shares issuable upon conversion of the Offered Notes and the Compensation Option Shares will be listed and posted for trading on the TSX upon their issuance.

(8) *Other Documents*. The Underwriter having received such further certificates, opinions of counsel and other documentation from the Corporation contemplated herein, provided, however, that the Underwriter or its 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.

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

Section 10 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 Underwriter shall pay the aggregate Offering Price for the Offered Notes being issued and sold hereunder, net of the Commission and expenses of the Underwriter payable by the Corporation as set out in this Agreement, by wire transfer or certified cheque, (b) the Corporation shall register and issue the Offered Notes as directed by the Underwriter, and deliver the certificates representing the Offered Notes as directed by the Underwriter in Toronto, Ontario, and (c) the Corporation shall register and issue the Compensation Options as directed by the Underwriter, and deliver the Compensation Option Certificate as directed by the Underwriter in Toronto, Ontario.

Section 11 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 Underwriter 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 Underwriter 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 Underwriter is responsible, and the amount of the Commission received by the Underwriter.

(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 Underwriter will notify the Indemnitor promptly in writing after receiving notice of any Claim against the Underwriter 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 Underwriter 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 Underwriter 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 Underwriter, will keep the Underwriter advised of the progress thereof and will discuss with the Underwriter 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 Underwriter is acting as trustee for each of the other Indemnified Parties of the Indemnitor's covenants under this indemnity and the Underwriter 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 12 Compensation of the Underwriter.

In consideration of the services to be rendered by the Underwriter in connection with the Offering, the Corporation shall pay to the Underwriter at the Closing Time, the Commission equal to 6.0% of the gross proceeds raised pursuant to the Offering (including for certainty on any exercise of the Over-Allotment Option). The Corporation shall also issue to the Underwriter that number of Compensation Options equal to 6.0% of the maximum number of Common Shares issuable upon conversion of the Offered Notes (including for certainty on any exercise of the Over-Allotment Option). Each Compensation Option will entitle the holder thereof to acquire one Compensation Option Share at a price of C$0.45 for a period of 48 months following the Closing Date. The obligation of the Corporation to pay the Commission and to execute and deliver the Compensation Option Certificate shall arise at the Closing Time. Any Commission payable in respect of offers and sales in the United States shall be deemed paid for the benefit of the U.S. Affiliate.

Section 13 Expenses.

Whether or not the issue and sale of the Offered Notes shall be completed, all costs and expenses of or incidental to the sale and delivery of the Offered Notes 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 Notes, the fees and expenses of the Corporation's counsel, Auditors (if any) 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 Underwriter which includes but is not limited to out-of-pocket and travel expenses in connection with due diligence and marketing meetings of the Underwriter and the reasonable fees and disbursements of the Underwriter's Canadian legal counsel and applicable taxes thereon (to a maximum of C$100,000 for Canadian 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 14 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 Underwriter 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 Underwriter that cannot be cured prior to the Closing Date shall entitle the Underwriter 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 Underwriter 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 Underwriter in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriter any such waiver or extension must be in writing.

Section 15 Termination by the Underwriter in Certain Events.

(1) The Underwriter shall also be entitled to terminate and cancel, without any liability on the part of the Underwriter and the Purchasers, all of its obligation (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 any material change or change in a material fact which, in the reasonable opinion of the Underwriter, would be expected to have a significant adverse effect on the market price or value of the Common Shares; or

(b) *Disaster Out* - there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation, which, in the sole opinion of Underwriter, seriously adversely affects, or involves, or will seriously adversely affect or involve, (a) the financial markets in the United States or Canada, (b) the business, operations or affairs of the Corporation and its subsidiaries taken as a whole, or (c) the market price or value of the Common Shares; or

(c) *Regulatory Proceedings Out* - there shall have occurred any change in the laws of Canada or of the Selling Jurisdictions, or any inquiry, investigation or other proceeding is made or any order is issued under or pursuant to any law of Canada or of the Selling Jurisdictions or by the TSX in relation to the Corporation or any of its securities (except for any inquiry, investigation or other proceeding or order based upon activities of the Underwriter and not upon activities of the Corporation or its subsidiaries), which, in the sole opinion of the Underwriter, acting reasonably and in good faith, would restrict or prohibit the sale of the Offered Notes or the trading of the Common Shares; or

(d) *Breach Out* - There is any material breach or failure by the Corporation to comply with any terms, conditions or covenants in this Agreement, or in the event that any representation or warranty given by the Corporation herein becomes materially false and is not rectified as at the Closing Time. The Underwriter may waive, in whole or in part, or extend the time for compliance with, any terms and conditions in its sole discretion without prejudice to their respective rights in respect of any other of such terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Underwriter only if the same is in writing and signed by it.

(2) If this Agreement is terminated by the Underwriter pursuant to Section 15(1), there shall be no further liability on the part of the Underwriter or of the Corporation to the Underwriter, except in respect of any liability which may have arisen or may thereafter arise under Section 11 and Section 13.

(3) The right of the Underwriter 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.

Section 16 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 & Director
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 the Underwriter, 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
Bay Adelaide Centre – North Tower
40 Temperance St., Suite 3200,
Toronto, ON M5H 0B4

Attention: David Gardos
Email: dgardos@cassels.com,

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

The Corporation and the Underwriter 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 17 Miscellaneous.

(1) *Successors and Assigns*. This Agreement shall enure to the benefit of, and shall be binding upon, the Underwriter 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 Underwriter herein contained or contained in documents submitted pursuant to this Agreement and in connection with the transaction of offer 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 11 shall survive the offer and sale of the Offered Notes and the termination of this Agreement and shall continue in full force and effect for the benefit of the Underwriter or the Corporation, as the case may be, regardless of any subsequent disposition of the Offered Notes or any investigation by or on behalf of the Underwriter with respect thereto without limitation other than any limitation requirements of applicable law. The Underwriter and the Corporation shall be entitled to rely on the representations and warranties of the Corporation or the Underwriter, as the case may be, contained herein or delivered pursuant hereto notwithstanding any investigation which the Underwriter 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) *No Fiduciary Duty*. The Corporation acknowledges that in connection with the Offering, the Underwriter: (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 Underwriter arising from an alleged breach of fiduciary duty in connection with the Offering.

(10) *Other Underwriter Business*. The Corporation acknowledges that the Underwriter 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.

(11) *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. This Agreement may be amended or modified in any respect by written instrument only.

(12) *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: *(signed) David Roland*
David Roland
Chief Executive Officer

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

SPECTRAL MEDICAL INC.

By: *(signed) Chris Seto*
Chris Seto
Chief Executive Officer

SCHEDULE "A"
SUBSIDIARIES

This is Schedule "A" to the underwriting agreement dated as of May 30, 2024 between Spectral Medical Inc., and Paradigm Capital Inc.

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
Dialco Medical (US) Inc.	Delaware	5,000 shares of common stock authorized 100 shares of common stock issued and outstanding	100% owned directly by Dialco Medical Inc.

SCHEDULE "B"

DETAILS OF OUTSTANDING CONVERTIBLE SECURITIES AND RIGHTS TO ACQUIRE SECURITIES

This is Schedule "B" to the underwriting agreement dated as of May 30, 2024 between Spectral Medical Inc., and Paradigm Capital Inc.

1. **Stock Options Outstanding as at May 30, 2024**

The Corporation has 22,844,224 stock options outstanding, each exercisable for one Common Share. The outstanding stock options have a weighted average exercise price of $0.23 per Common Share and expiring between June 4, 2024 and April 5, 2029.

2. **Warrants Outstanding as at May 30, 2024**

The Corporation has: (i) 11,115,000 Common Share purchase warrants outstanding, each exercisable for one Common Share, exercisable at a price of C$0.50 per Common Share and expiring on July 27, 2024; and (ii) 4,930,625 Common Share purchase warrants outstanding, each exercisable for one Common Share, exercisable at a price of C$0.48 per Common Share and expiring on November 2, 2025.

3. **RSUs Outstanding as at May 30, 2024**

The Corporation has 5,661,126 RSUs outstanding, each vesting for one Common Share. The outstanding RSUs will convert into Common Shares on dates ranging from February 5, 2024 to April 5, 2029.

4. **DSUs Outstanding as at May 30, 2024**

The Corporation has 3,863,474 DSUs outstanding and issued to the Corporation's Board of Directors which shall convert into Common Shares. The DSUs are fully vested upon grant date and shall convert into common shares on the Termination of the Director.

5. **PSUs Outstanding as at May 30, 2024**

The Corporation has Nil PSUs outstanding.

6. **Compensation Warrants Outstanding as at May 30, 2024**

The Corporation has: (i) 989,850 compensation warrants outstanding, each exercisable for one Common Share, exercisable at a price of C$0.40 per Common Share and expiring on November 2, 2025; and (ii) 928,539 compensation warrants outstanding, each exercisable for one Common Share, exercisable at a price of C$0.40 per Common Share and expiring on September 7, 2026.

7. **Convertible Notes Outstanding as at May 30, 2024**

The Corporation has: (i) 5,000 convertible notes outstanding (each a "**2022 Note**"), each issued on November 2, 2022, with a face value of US$1,000 per 2022 Note, bearing interest at a rate of 7% and due on November 1, 2026 (the "**2022 Note Maturity Date**"). Holders of the 2022 Notes may convert all or any portion of the 2022 Notes in integral multiples of US$1,000 principal amount at any time prior to the 2022 Note Maturity Date. Each 2022 Note is currently convertible into approximately 2,828 Common Shares representing a conversion price of approximately C$0.48 per Common Share subject to certain anti-dilution and make-whole fundamental change adjustments.; and (ii) on September 7, 2023, Spectral received USD $4,553 in convertible notes payable (the "Notes") upon the completion of its private placement. 4,553 Notes were issued and have a face value of USD $1,000 per Note, bearing interest of 9% and are due November 1, 2026 (the "maturity date"). Holders of the Notes may convert all or any portion of the Notes into common

shares of the Company in integral multiples of USD $1,000 principal amount at any time prior to the Maturity Date The notes are convertible into approximately 15,475,647 Common Shares representing a conversion price of approximately CAD$0.40 per Common Share subject to certain anti-dilution and make-whole fundamental change adjustments.

SCHEDULE "C"

COMPLIANCE WITH UNITED STATES SECURITIES LAWS

This is Schedule "C" to the underwriting agreement dated as of May 30, 2024 between Spectral Medical Inc., and Paradigm Capital Inc.

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 Notes 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 Notes;

(b) "**Disqualification Event**" means any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D;

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

(d) "**General Solicitation**" and "**General Advertising**" means "general solicitation" and "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;

(e) "**Investment Company Act**" means the United States Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder;

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

(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. Accredited Investor**" means an "accredited investor" meeting one or more of the criteria in Rule 501(a) of Regulation D;

(l) "**U.S. Purchaser**" means any actual or potential purchaser of Offered Notes 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 Notes in the United States, or that was in the United States when

the buy order was made or when the Subscription Agreement pursuant to which it is acquiring Offered Notes was executed or delivered.

Representations, Warranties and Covenants of the Underwriter

The Underwriter, on behalf of each of itself and its U.S. Affiliate, represents, warrants, covenants and agrees to and with the Corporation that:

1. It acknowledges that the Offered Notes 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 Notes may not be offered or sold 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.

2. It has not offered or sold, and will not offer or sell, at any time any Offered Notes 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 U.S. Accredited Investors, purchasing in each case for sale directly by the Corporation in compliance with the exemption afforded by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D and similar exemptions under state securities laws and as provided in paragraphs 3 through 15 below. Accordingly, neither the Underwriter, nor its affiliates (including the U.S. Affiliate) 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 Notes 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 Notes to any potential purchaser unless, at the time the buy order was or will have been originated, the potential 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 Underwriter, its affiliates (including the U.S. Affiliate) and any person acting on any of their behalf, reasonably believed that such potential 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 with respect to the securities being offered in reliance on Regulation S.

3. It has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Offered Notes except with the U.S. Affiliate or any Selling Group members or with the prior written consent of the Corporation. The Underwriter 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 Underwriter as if such provisions applied to the U.S. Affiliate and such Selling Group member.

4. It represents and warrants that all offers of Offered Notes for sale by the Corporation that have been or will be made by it in the United States, have been or will be made through the U.S. Affiliate in compliance with all applicable U.S. federal and state broker-dealer requirements. The 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.

5. None of it, its affiliates (including the U.S. Affiliate), 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 Offered Notes for sale by the Corporation in the United States, or has offered or will offer any Offered Notes 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.

6. Immediately prior to soliciting U.S. Purchasers, the Underwriter, its affiliates (including the U.S. Affiliate), and any person acting on its or their behalf had reasonable grounds to believe and did believe that each U.S. Purchaser was a U.S. Accredited Investor with respect to which the Underwriter or its affiliates (including the U.S. Affiliate) had a pre-existing substantive business relationship (as that term is used by the SEC); and at the time of completion of each sale to a person in the United States or to, or for the account or benefit of, U.S. Persons, the Underwriter, its affiliates (including the U.S. Affiliate), and any person acting on its or their behalf will have reasonable grounds to believe and will believe, that each such U.S. Purchaser is a U.S. Accredited Investor.

7. All U.S. Purchasers of the Offered Notes solicited by it shall be informed that the Offered Notes 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 Notes are being offered and sold to such U.S. Purchasers pursuant to the exemption afforded by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D and similar exemptions under state securities laws and that the Offered Notes are "restricted securities" and may not be exercised, offered, sold, pledged or otherwise transferred except pursuant to an effective registration statement under United States federal and state securities laws or an available exemption from such registration requirements and in compliance with the restrictions set forth in the documents and agreements governing such securities.

8. No written material will be used in connection with the offer or sale of the Offered Notes to U.S. Purchasers.

9. Prior to completion of any sale of Offered Notes to any U.S. Purchaser, such U.S. Purchaser will be required to provide to the Underwriter, or the U.S. Affiliate offering and selling the Offered Notes 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 Subscription Agreement. The Underwriter shall provide the Corporation with copies of all such completed and executed Subscription Agreements for Offered Notes for acceptance by the Corporation.

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

11. At the Closing, the Underwriter 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 Notes to U.S. Purchasers, or will be deemed to have represented that they did not offer or Offered Notes to U.S. Purchasers.

12. 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 sale of the Offered Notes.

13. Neither the Underwriter nor its affiliates (including the U.S. Affiliate) (collectively, the "Regulation D Agents"), any general partner or managing member of the Regulation D Agents, any director, executive officer or other officer of the Regulation D Agents participating in the offering of the Offered Notes or general partner or managing member of the Regulation D Agents or any officer, employee or agent of the Regulation D Agents or general partner or managing member of the Regulation D Agents that have been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the offer and sale of any of the Offered Notes (each of the foregoing, a "Regulation D Agent Covered Person" and collectively, the "Regulation D Agent Covered Persons") is subject to any Disqualification Event, except for a Disqualification Event contemplated by Rule 506(d)(2) of the U.S. Securities Act and a reasonably satisfactory description of which has been furnished in writing to the Corporation prior to the date hereof. The Underwriter will notify the Corporation in writing, prior to any Closing Date, of (i) any

Disqualification Event relating to any Regulation D Agent Covered Person not previously disclosed to the Corporation in accordance with this section, and (ii) any event that, with the passage of time, could reasonably be expected to become a Disqualification Event relating to any Regulation D Agent Covered Person. As of any Closing Date, the Underwriter is not aware of any person (other than any Regulation D Agent Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the offer and sale of any of the Offered Notes pursuant to Rule 506(b) of Regulation D. No disclosure is required under Rule 506(e) in connection with the offer and sale of the Offered Notes.

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 or Offered Notes.

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

3. The offering of the Offered Notes to U.S. Purchasers by the Underwriter 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 sales 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 in each case are U.S. Accredited Investors in reliance upon the exemption from registration afforded by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D, none of the Corporation, its affiliates, or any person acting on any of their behalf (other than the Underwriter, 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 Notes 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 Notes 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 Notes are offered for sale, none of the Corporation, its affiliates, or any person acting on any of their behalf (other than the Underwriter, 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 with respect to the offered securities or has taken or will take any action that would cause the exemptions afforded by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D to be unavailable for offers and sales of Offered Notes or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of Offered Notes outside the United States to non-U.S. Persons in accordance with the Underwriting Agreement, including this Schedule "C".

6. None of the Corporation, its affiliates or any person acting on any of their behalf (other than the Underwriter, 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 Notes 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 Notes in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act.

7. None of the Corporation, its affiliates or any person acting on any of their behalf (other than the Underwriter, 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 Notes.

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.

9. The Corporation has not, for a period beginning thirty days prior to the commencement of the Offering, sold, offered for sale or solicited any offer to buy any of the Corporation's securities, and will not do so during the Offering or for a period of thirty days following the later of the completion of this Offering, in a manner that would be integrated with the offer and sale of the Offered Notes and would cause the exemption from registration set forth in Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Offered Notes.

10. None of the Corporation, any of its predecessors, any director, executive officer, or other officer of the Corporation participating in the offer and sale of the Offered Notes, any beneficial owner of 20% or more of the Corporation's outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale of the Offered Notes (but excluding the Regulation D Agent Covered Persons, as to whom no representation, warranty or covenant is made) (each of the foregoing, a "Corporation Covered Person" and, collectively, the "Corporation Covered Persons") is subject to a Disqualification Event. The Corporation will notify the Underwriter in writing, prior to any Closing Date, of (i) any Disqualification Event relating to a Corporation Covered Person not previously disclosed to the Underwriter in accordance with this section, and (ii) any event that, with the passage of time, could reasonably be expected to become a Disqualification Event relating to any Corporation Covered Person. As of any Closing Date, the Corporation is not aware of any person (other than any Regulation D Agent Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the offer and sale of any of the Offered Notes pursuant to Rule 506(b) of Regulation D.

11. The Corporation will, within the prescribed time periods after the first sale of the Offered Notes in the United States, prepare and file any forms or notices required under the U.S. Securities Act (including without limitation Form D) or any state securities laws in connection with the sale of the Offered Notes with the SEC and with all applicable state securities regulators.

General

The Underwriter (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"

UNDERWRITER'S CERTIFICATE

In connection with the private placement in the United States (or to or for the account or benefit of a U.S. Person or a person in the United States) of Offered Notes of the Corporation pursuant to the Underwriting Agreement, the undersigned Underwriter and its U.S. Affiliate do hereby certify as follows:

(a) the Offered Notes have been offered and sold by us in the United States (or to or for the account or benefit of a U.S. Person or a person in the United States) only by the 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 the earliest offer of Offered Notes (including by 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 U.S. Accredited Investor, and we continue to believe that each U.S. Purchaser of Offered Notes that we have arranged is a U.S. Accredited Investor on the date hereof;

(c) all offers and sales of the Offered Notes 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 or on our behalf in connection with the offer and sale of the Offered Notes in the United States;

(e) prior to any sale of Offered Notes 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 Notes provided an executed Subscription Agreement for such Notes, and we provided the Corporation with copies of all such completed and executed documents for acceptance by the Corporation;

(f) neither we, nor our affiliates nor any person acting on any of our 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 sale of the Offered Notes;

(g) prior to the purchase of any Offered Notes in the United States or to, or for the account or benefit of, U.S. Persons, each such offeree was provided no other written material (other than the Subscription Agreement) in connection with the offering of the Offered Notes in the United States or to, or for the account or benefit of, U.S. Persons;

(h) we acknowledge, and 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 Notes have been informed, that the Offered Notes have not been and will not be registered under the U.S. Securities Act and are being offered and sold 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 Notes 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 _____, 2024.

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