***No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise**. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as such terms are defined in Regulation S under the U.S. Securities Act), except pursuant to transactions exempt from registration under the U.S. Securities Act and under applicable state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or its territories or possessions. See "Plan of Distribution."*

***Information has been incorporated by reference in this short form prospectus from documents filed with the securities commissions or similar authorities in the Canadian provinces of British Columbia, Alberta and Ontario.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Medicenna Therapeutics Corp. at 200 – 1920 Yonge Street, Toronto, Ontario, M4S 3E2, Telephone: (416) 648-5555, and are also available electronically at www.sedar.com.*

SHORT FORM PROSPECTUS

New Issue December 14, 2018

MEDICENNA THERAPEUTICS CORP.

Minimum: $4,000,000 (4,000,000 Units)

Maximum: $6,000,000 (6,000,000 Units)

Price: $1.00 per Unit

Medicenna Therapeutics Corp. (the "**Company**" or "**Medicenna**") is hereby qualifying for distribution a minimum (the "**Minimum Offering**") of 4,000,000 units of the Company (the "**Units**") and a maximum (the "**Maximum Offering**") of 6,000,000 Units, at a price of $1.00 per Unit (the "**Offering Price**"). Each Unit consists of one common share of the Company (an "**Offered Share**") and one-half of one common share purchase warrant of the Company (each whole common share purchase warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one common share of the Company (a "**Warrant Share**") at an exercise price of $1.20 per Warrant Share, subject to adjustment, at any time until 5:00 p.m. (Toronto time) on the date that is 60 months after the first Closing Date (as defined herein) of the Offering (as defined herein) (the "**Warrant Expiry Date**"). The Units will immediately separate into Offered Shares and Warrants upon issuance. The distribution of the Units and the Broker Warrants (as defined herein) qualified by this short form prospectus is referred to herein as the "**Offering**". See "*Description of Offered Securities*".

The outstanding common shares of Medicenna ("**Common Shares**") are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "MDNA". On December 13, 2018, the last trading day on the TSX prior to the date of this short form prospectus, the closing price of the Common Shares on the TSX was $1.15. The Company has not applied and does not intend to apply to list the Warrants on any securities exchange. **There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation**. See "*Risk Factors*".

The Offering Price was determined by negotiation between the Company and Bloom Burton Securities Inc. (the "**Lead Agent**"). Pursuant to the terms of an agency agreement (the "**Agency Agreement**") entered into between the Lead Agent, Mackie Research Capital Corporation and Richardson GMP Limited (collectively, the "**Agents**")

and the Company, the Units will be issued and sold in the provinces of British Columbia, Alberta and Ontario by the Agents. The Units may also be offered for sale in the United States, by or through one or more United States registered broker-dealers appointed by the Agents as sub-agents, under certain exemptions from the registration requirements of the U.S. Securities Act and the applicable laws. See "*Plan of Distribution*".

An investment in the securities offered hereunder is speculative and involves a high degree of risk. The risk factors identified in this short form prospectus and the documents incorporated by reference herein should be carefully reviewed and evaluated by prospective investors before purchasing the securities being offered hereunder. See "*Risk Factors*" in this short form prospectus and the documents incorporated by reference herein.

	Price: $1.00 per Unit		
	Price to the Public	**Commission[1]**	**Net Proceeds to the Company[2]**
Per Unit[3]……...…….	$1.00	$0.07	$0.93
Minimum Offering....……..	$4,000,000	$280,000	$3,720,000
Maximum Offering…….....	$6,000,000	$420,000	$5,580,000

Notes:

(1) The Company has agreed to pay the Agents, on each Closing Date, a commission (the "**Commission**") equal to 7% of the aggregate gross proceeds of the Offering (or $0.07 per Unit). In addition to the Commission, the Company has agreed to issue to the Agents, on each Closing Date, compensation warrants ("**Broker Warrants**") to purchase such number of Common Shares (the "**Broker Warrant Shares**") as is equal to 7% of the aggregate number of Units issued pursuant to the Offering on such Closing Date. Each Broker Warrant, whether issued on the first Closing Date or on a subsequent Closing Date, shall entitle the Agents to acquire one Broker Warrant Share at an exercise price equal to $1.20, subject to adjustment, for a period of 24 months following the first Closing Date. See "*Plan of Distribution*". This short form prospectus also qualifies the distribution of the Broker Warrants.

(2) After deducting the Commission, but before deducting expenses of the Offering (including listing fees) estimated to be approximately $270,000 in the event of the Minimum Offering, and $270,000 in the event of the Maximum Offering, which will be paid from the gross proceeds of the Offering.

(3) From the Offering Price, the Company will allocate $0.71 to each Offered Share and $0.29 to each one-half of one Warrant.

The following table sets out the number of Broker Warrants that may be issued by the Company to the Agents:

Agents' Position	**Minimum Offering**	**Maximum Offering**	**Exercise Period**	**Exercise Price**
Broker Warrants	280,000 Broker Warrants	420,000 Broker Warrants	24 months following the first Closing Date	$1.20 per Broker Warrant Share

Subscriptions for Units will be received by the Agents subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is anticipated that global certificates or an instant deposit through the non-certificated inventory system representing the Offered Shares and Warrants will be issued and deposited with CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. A subscriber who purchases Units will receive only a customer confirmation from the registered dealer who is a CDS participant from or through whom Units are purchased. Physical certificates evidencing Offered Shares and Warrants will not be issued except in limited circumstances and unless a request for a certificate is made to the Company. Physical certificates evidencing the Offered Shares and Warrants will be distributed to purchasers in the United States who are "accredited investors" (each a "**U.S. Accredited Investor**") as defined in Rule 501(a) of Regulation D under the U.S. Securities Act. See "*Plan of Distribution*".

The completion of the Offering may occur in one or more separate closings on one or more dates (each, a "**Closing Date**") as the Company and the Agents may agree. Provided that the Minimum Offering is subscribed for, it is expected that the first Closing Date will occur on or about December 21, 2018, or such other date as the Company and the Agents may agree.

If subscriptions for the Minimum Offering have not been received within 10 days following the date of issuance of a receipt for this short form prospectus, the Offering will not continue and the subscription proceeds will be returned to subscribers, without interest or deduction. In any event, the total period of the distribution will not end more than

90 days from the date of issuance of a receipt for this short form prospectus. Should a closing occur in respect of the Minimum Offering, one or more additional closings, if necessary, may occur until the earlier of the Maximum Offering being subscribed and the expiry of the 90-day period.

There can be no assurance that any or all of the Units being offered will be sold. Please see "*Plan of Distribution*".

The Offering is not underwritten or guaranteed by any person. The Agents conditionally offer the Units pursuant to the securities legislation of the provinces of British Columbia, Alberta and Ontario on a best efforts basis and, subject to prior sale, if, as and when issued by the Company and delivered and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under "*Plan of Distribution*" and subject to approval of certain legal matters on behalf of the Company by Baker & McKenzie LLP, with respect to Canadian legal matters, and on behalf of the Agents by McCarthy Tétrault LLP. The United States registered broker-dealers that may be appointed by the Agents as sub-agents will not be registered as dealers in any Canadian jurisdiction and, accordingly, they will not, directly or indirectly, solicit offers to purchase or sell the Units in Canada.

Prospective investors should rely only on the information contained or incorporated by reference in this short form prospectus and the documents incorporated by reference herein. The Company and the Agents have not authorized anyone to provide prospective investors with information different from that contained or incorporated by reference in this short form prospectus and the documents incorporated by reference herein. Information contained on the website of the Company shall not be deemed to be a part of this short form prospectus or incorporated herein by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest under the Offering. The Company is offering to sell, and seeking offers to buy, the Units only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted. The Company does not undertake to update information contained or incorporated by reference in this short form prospectus, except as required by applicable securities laws.

The Units, the Offered Shares, the Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any securities or "blue sky" laws of any of the states of the United States, and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except in accordance with an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Each of Andrew Strong and Dr. William W. Li (the "**Non-Resident Directors**"), directors of the Company, resides outside of Canada. The Non-Resident Directors have appointed the following agent for service of process:

Name of the Person or Company	Name and Address of Agent
Andrew Strong Dr. William W. Li	Medicenna Therapeutics Corp. 200 – 1920 Yonge Street Toronto, Ontario, M4S 3E2

Purchasers are advised that it may not be possible for investors to enforce judgements obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process. See "*Risk Factors - Enforcement of judgments against foreign persons may not be possible*".

Prospective investors should be aware that the acquisition or disposition of the securities described herein may have tax consequences in Canada. This short form prospectus may not describe these tax consequences fully. Prospective investors should consult and rely on their own tax advisor with respect to their own particular circumstances. See "*Certain Canadian Federal Income Tax Considerations*".

In this short form prospectus, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. All references to "dollar" or "$"are to Canadian dollars and United States dollars are indicated by the symbol "US$".

The Company's head and registered office is located at 200 – 1920 Yonge Street, Toronto, Ontario, M4S 3E2 and its telephone number is (416) 648-5555.

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IMPORTANT NOTICE ABOUT THE INFORMATION IN THIS SHORT FORM PROSPECTUS

General Advisory

Prospective investors should rely only on the information contained in or incorporated by reference in this short form prospectus. Neither the Company nor the Agents have authorized anyone to provide you with different or additional information. Neither the Company nor the Agents are making an offer of the Units in any jurisdiction where the offer is not permitted by law. If anyone provides prospective investors with any different or inconsistent information, prospective investors should not rely on it. Prospective investors should not assume that the information contained in or incorporated by reference in this short form prospectus is accurate as of any date other than the date on the front of this short form prospectus with respect to information contained herein and, with respect to information incorporated by reference, the date of such document so incorporated. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

Market and Industry Data

Certain independent third party and industry data contained (or incorporated by reference) in this short form prospectus is based upon information from government or other independent industry or scientific publications and reports or based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but none of the Company or the Agents, or any of their representatives, have conducted their own independent verification of such information. While the Company and the Agents believe this information to be reliable, third party information is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process, and other limitations and uncertainties inherent in any statistical or scientific survey. In addition, this third party information has been prepared as of a specific date and therefore does not contemplate changes in facts and circumstances following such date. None of the Company or the Agents or any of their representatives has independently verified any of the research, findings or data from independent third party sources referred to in this short form prospectus or ascertained the underlying assumptions relied upon by such sources. Unless specifically stated, none of the third party information cited in this short form prospectus is incorporated by reference herein. All third party information source references are provided for the reader's convenience only and do not form a part of this short form prospectus.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This short form prospectus and the documents incorporated by reference in this short form prospectus contain forward-looking statements within the meaning of applicable securities laws. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All statements contained herein that are not clearly historical in nature are forward-looking, and the words such as "plan", "expect", "is expected", "budget", "scheduled", "estimate", "forecast", "contemplate", "intend", "anticipate", or "believe" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might", "shall" or "will" be taken, occur or be achieved and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements include, but are not limited to, statements with respect to the Company's:

- requirements for, and the ability to obtain, future funding on favorable terms or at all;
- business strategy;
- expected future loss and accumulated deficit levels;
- projected financial position and estimated cash burn rate;
- expectations about the timing of achieving milestones and the cost of the Company's development programs;
- observations and expectations regarding the effectiveness of MDNA55 and the potential benefits to patients;
- expectations regarding the completion of enrolment of the Company's Phase 2b clinical trial;

- expectations about the Company's products' safety and efficacy;
- expectations regarding the Company's ability to arrange for the manufacturing of the Company's products and technologies;
- expectations regarding the progress, and the successful and timely completion, of the various stages of the regulatory approval process;
- ability to secure strategic partnerships with larger pharmaceutical and biotechnology companies;
- strategy to acquire and develop new products and technologies and to enhance the safety and efficacy of existing products and technologies;
- plans to market, sell and distribute the Company's products and technologies;
- expectations regarding the acceptance of the Company's products and technologies by the market;
- ability to retain and access appropriate staff, management, and expert advisers;
- expectations with respect to existing and future corporate alliances and licensing transactions with third parties, and the receipt and timing of any payments to be made by the Company or to the Company in respect of such arrangements;
- strategy with respect to the protection of the Company's intellectual property and
- the potential market for the securities issuable under the Offering.

All forward-looking statements reflect the Company's beliefs and assumptions based on information available at the time the assumption was made. These forward-looking statements are not based on historical facts but rather on management's expectations regarding future activities, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, known and unknown, that contribute to the possibility that the predictions, forecasts, projections or other forward-looking statements will not occur. Factors which could cause future outcomes to differ materially from those set forth in the forward-looking statements include, but are not limited to:

- the effect of continuing operating losses on the Company's ability to obtain, on satisfactory terms, or at all, the capital required to maintain the Company as a going concern;
- the ability to obtain sufficient and suitable financing to support operations, preclinical development, clinical trials, and commercialization of products;
- the risks associated with the development of novel compounds at early stages of development in the Company's intellectual property portfolio;
- the risks of reliance on third-parties for the planning, conduct and monitoring of clinical trials and for the manufacture of drug product;
- the risks associated with the development of the Company's product candidates including the demonstration of efficacy and safety;
- the risks related to clinical trials including potential delays, cost overruns and the failure to demonstrate efficacy and safety;
- the risks of delays and inability to complete clinical trials due to difficulties enrolling patients;
- risks associated with the Company's inability to successfully develop companion diagnostics for the Company's development candidates;
- delays or negative outcomes from the regulatory approval process;
- the Company's ability to successfully compete in the Company's targeted markets;
- the Company's ability to attract and retain key personnel, collaborators and advisors;
- the Company's ability to remain compliant with the terms of its agreement with the Cancer Prevention Research Institute of Texas ("**CPRIT**") and collect any remaining funding;
- risks relating to the increase in operating costs from expanding existing programs, acquisition of additional development programs and increased staff;
- risk of negative results of clinical trials or adverse safety events by the Company or others related to the Company's product candidates;
- the potential for product liability claims;
- the Company's ability to achieve the Company's forecasted milestones and timelines on schedule;

- financial risks related to the fluctuation of foreign currency rates and expenses denominated in foreign currencies;
- the Company's ability to adequately protect proprietary information and technology from competitors;
- risks related to changes in patent laws and their interpretations;
- the Company's ability to source and maintain licenses from third-party owners; and
- the risk of patent-related litigation and the ability to protect trade secrets;

all as further and more fully described in the "*Risk Factors*" section of this short form prospectus, in the "*Risk Factors*" section of the AIF (as defined herein) and elsewhere in the Company's Annual MD&A (as defined below), Interim MD&A (as defined below) and elsewhere in the Company's filings with the Canadian securities regulators, as applicable. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Although the forward-looking statements contained herein are based upon what the Company's management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements.

Forward-looking statements made in a document incorporated by reference in this short form prospectus are made as of the date of the original document and have not been updated except as expressly provided herein. Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results or otherwise. Accordingly, readers should not place undue reliance on forward-looking statements.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Chief Financial Officer of the Company at 200 - 1920 Yonge Street, Toronto, Ontario, M4S 3E2, Telephone: (416) 648-5555. These documents are also available through the internet under the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") which can be accessed at www.sedar.com. The following documents, filed with the various securities commissions or similar authorities in each of the provinces of British Columbia, Alberta and Ontario, are specifically incorporated by reference into and form an integral part of this short form prospectus:

1. the annual information form of the Company dated June 26, 2018 for the financial year ended March 31, 2018 (the "**AIF**");

2. the audited financial statements of the Company as at, and for the financial years ended March 31, 2018 and 2017, together with the notes thereto and the independent auditor's report thereon;

3. the management's discussion and analysis of financial condition and results of operations for the financial year ended March 31, 2018 (the "**Annual MD&A**");

4. the unaudited condensed interim financial statements of the Company as at, and for the three and six months ended, September 30, 2018, together with the notes thereto (the "**Interim Financial Statements**");

5. the management's discussion and analysis of financial condition and results of operations for the three and six months ended September 30, 2018 (the "**Interim MD&A**");

6. the management information circular dated August 20, 2018 relating to Medicenna's annual meeting of shareholders held on September 20, 2018;

7. the material change report of the Company dated November 1, 2018 with respect to the interim update from the ongoing Phase 2b clinical trial of MDNA55 for the treatment of recurrent glioblastoma ("**rGBM**"); and

8. the investor presentation of the Company dated November 8, 2018 (the "**Marketing Materials**").

Material change reports (other than confidential reports), business acquisition reports, interim financial statements, annual financial statements, annual information forms, marketing materials and all other documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this short form prospectus and before completion or withdrawal of the Offering, will be deemed to be incorporated by reference into this short form prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference in this short form prospectus shall be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained in this short form prospectus or in any subsequently filed document which also is or is deemed to be incorporated by reference in this short form prospectus modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

MARKETING MATERIALS

Neither the Marketing Materials nor any other "template version" of any "marketing materials" (as such terms are defined under applicable Canadian securities laws) that are used by the Agents in connection with the Offering are part of this short form prospectus to the extent that the contents of the Marketing Materials or any other template version of the marketing materials, as the case may be, have been modified or superseded by a statement contained in this short form prospectus. Any template version of any marketing materials that has been, or will be, filed on SEDAR before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials or the Marketing Materials) is deemed to be incorporated by reference into this short form prospectus.

THE COMPANY

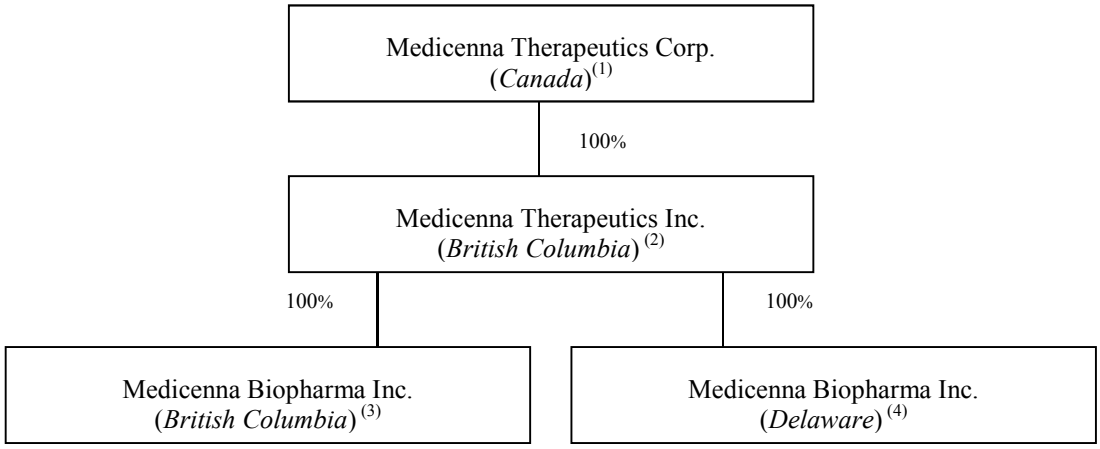
The following is a summary of information pertaining to the Company and does not contain all the information about the Company that may be important to prospective investors. Prospective investors should read the more detailed information and financial statements and related notes that are incorporated by reference into and are considered to be a part of this short form prospectus including, but not limited to, the AIF.

Medicenna, formerly A2 Acquisition Corp. ("**A2**"), is the resulting issuer following a "three-cornered" amalgamation involving A2, 1102209 B.C. Ltd., a wholly-owned subsidiary of A2 incorporated pursuant to the *Business Corporations Act* (British Columbia) ("**BCBCA**"), and Medicenna Therapeutics Inc. ("**MTI**"), completed on March 1, 2017.

A2 was formed by articles of incorporation under the *Business Corporations Act* (Alberta) on February 2, 2015, and following its initial public offering, was a capital pool company ("**CPC**") listed on the TSX Venture Exchange ("**TSXV**"). As a CPC, A2 had no assets other than cash and did not carry on any operations other than identifying and evaluating opportunities for the acquisition of an interest in assets or businesses for the completion of a qualifying transaction.

On March 1, 2017, A2 completed its qualifying transaction in accordance with the policies of the TSXV by way of reverse takeover of A2 by the shareholders of MTI (the "**Transaction**"). In addition, on March 1, 2017 and prior to the completion of the Transaction, A2 amended its articles as a result of (a) implementing a consolidation of its pre-Transaction common shares (the "**A2 Shares**") on the basis of one Common Share for every fourteen A2 Shares (1:14) and (b) changing its name to Medicenna Therapeutics Corp.

The following organizational chart sets out the corporate structure of Medicenna:



Notes:

(1) Medicenna Therapeutics Corp. is primarily a holding company.
(2) Medicenna Therapeutics Inc. is the main operating entity within the Medicenna group of companies.
(3) Medicenna Biopharma Inc. (British Columbia) is an inactive company.
(4) Medicenna Biopharma Inc. (Delaware) is the Company's operating arm in the United States.

The current directors of Medicenna are Dr. Fahar Merchant, Albert Beraldo, Rosemina Merchant, Dr. Chandrakant Panchal and the Non-Resident Directors. The current officers of Medicenna are Dr. Fahar Merchant, president and chief executive officer, Rosemina Merchant, chief development officer, and Elizabeth Williams, chief financial officer.

The current members of Medicenna's audit committee are Albert Beraldo (Chair), Dr. Chandrakant Panchal and Dr. William Li.

The current members of Medicenna's compensation committee are Dr. Chandrakant Panchal (Chair) and Andrew Strong.

The current members of Medicenna's corporate governance and nominating committee are Andrew Strong (Chair) and Dr. Chandrakant Panchal.

Medicenna's head office is located at 200-1920 Yonge Street, Toronto, Ontario, Canada, M4S 3E2 and its registered office is at 181 Bay Street, Suite 2100, Toronto, Ontario, Canada.

DESCRIPTION OF THE BUSINESS

Medicenna is a clinical stage immuno-oncology company developing novel, highly selective versions of IL-2, IL-4 and IL-13 tunable cytokines, called "Superkines". These Superkines can be developed either on their own as short or long-acting therapeutics or fused with cell killing proteins in order to generate Empowered Cytokines™ ("**ECs**") that precisely deliver potent toxins to the cancer cells without harming healthy cells. Medicenna's mission is to become the leader in the development and commercialization of targeted ECs and Superkines for the treatment of a broad range of cancers. The Company seeks to achieve these successful treatments by drawing on its expertise, and

that of world-class collaborators, to develop a unique set of Superkines. Compared to naturally occurring cytokines - that bind to multiple receptor types on many cell types - Superkines are engineered with unique specificity toward defined target cell subsets to enable precise activation or inhibition in the context of disease. Superkines can also be fused with other types of proteins such as antibodies to generate novel "immunocytokines" or combined with other treatment modalities such as CAR-T or oncolytic viruses to stimulate tumor-killing immune cells or overcome the immunosuppressive tumor micro- environment.

MDNA55 is Medicenna's lead EC in clinical development for the treatment of rGBM. It is a fusion of a circularly permuted version of interleukin-4 ("**IL-4**"), fused to a potent fragment of the bacterial toxin, Pseudomonas exotoxin (or exotoxin A). MDNA55 has been studied in 3 clinical trials in 72 patients with rGBM, a uniformly fatal form of brain cancer, in which it has shown compelling indications of superior efficacy to the current standard of care. MDNA55 has secured Orphan Drug Status from the United States Food and Drug Administration ("**FDA**") and the European Medicines Agency as well as Fast Track Designation from the FDA for the treatment of rGBM.

Medicenna will focus on completing patient enrollment for its Phase 2b clinical trial for MDNA55 in 52 rGBM patients at clinical sites throughout the U.S, and expects to complete enrolment in Q1 2019.

Complementing Medicenna's lead clinical asset (MDNA55), the Company has built a deep pipeline of promising pre-clinical candidates. These include a library of Superkines, IL-2 agonists (MDNA109), IL-2 antagonists (MDNA209), dual IL-4/IL-13 antagonists (MDNA413) and IL-13 receptor targeting agents (MDNA132), all in-licensed from Stanford University.

For further information, see "*General Development of the Business*" and "*Narrative Description of the Business*" in the AIF. See also "*Risk Factors*".

Recent Developments

On December 5, 2018, the Company received US$1.2 million from CPRIT for the reimbursement of eligible expenses related to the development of the Company's phase 2b clinical program for MDNA55.

PRICE RANGE AND TRADING VOLUME OF LISTED SECURITIES

The Common Shares are listed for trading in Canada on the TSX under the symbol "MDNA". The following table shows the high and low trading prices and the aggregate volume of Common Shares traded on the TSX for each of the last 12 months (as reported by the TSX).

Month	High ($)	Low ($)	Volume
2017			
December	$2.52	$1.87	41,647
2018			
January	$3.05	$1.90	110,737
February	$2.57	$1.75	195,007
March	$2.40	$1.76	101,595
April	$2.11	$1.45	84,637
May	$1.83	$1.50	151,819
June	$1.69	$1.45	76,210
July	$1.70	$1.27	299,563
August	$1.62	$0.90	231,584
September	$1.66	$1.07	134,468

Month	High ($)	Low ($)	Volume
October	$2.30	$1.25	432,280
November	$1.76	$1.15	92,030
December 1 to 13	$1.24	$1.15	27,385

PRIOR SALES

The following tables summarize the Common Shares or securities convertible into, or exercisable to acquire, Common Shares that have been issued by the Company during the 12 months prior to the date of this short form prospectus.

Common Shares

Date	Price Per Common Share ($)	Number of Common Shares Issued
February 12, 2018	$2.00	2,200[1)]
February 28, 2018	$1.40	53,571[(5)]
March 1, 2018	$2.00	18,825[(2)]
March 2, 2018	$2.00	90,185[(2)]
March 5, 2018	$2.00	25,635[(3)]
March 5, 2018	$2.00	1,239[(2)]
March 5, 2018	$2.00	3,000[(4)]
March 20, 2018	$2.00	23,363[(3)]
March 22, 2018	$1.40	16,071[(5)]

Notes:

(1) Issued pursuant to the exercise of warrants originally issued on March 1, 2017.
(2) Issued pursuant to the exercise of warrants originally issued on March 1, 2017. These replaced the warrants originally issued on March 4, 2016.
(3) Issued pursuant to the exercise of warrants originally issued on March 1, 2017. These replaced the warrants originally issued on April 5, 2016.
(4) Issued pursuant to the exercise of warrants originally issued on March 1, 2017. These replaced the warrants originally issued on April 22, 2016.
(5) Issued pursuant to the exercise of stock options originally granted on July 17, 2015.

Stock Options[(1)]

Date	Exercise Price ($)	Number of Stock Options Granted
February 9, 2018	$2.00	125,000
August 27, 2018	$1.09	200,000

Note:

(1) Granted pursuant to the Company's 2017 Stock Option Plan.

DESCRIPTION OF OFFERED SECURITIES

The Offering consists of a minimum of 4,000,000 Units and a maximum of 6,000,000 Units, each Unit consisting of one Offered Share and one-half of one Warrant, each Warrant entitling the holder thereof to purchase one Warrant Share at an exercise price of $1.20 per Warrant Share, subject to adjustment, at any time until 5:00 p.m. (Toronto time) on the Warrant Expiry Date (the "**Warrant Expiry Time**"). The Units will immediately separate into Offered Shares and Warrants upon issuance.

Offered Shares

The authorized capital of the Company consists of an unlimited number of Common Shares.

The holders of Common Shares are entitled to receive notice of and to attend all meetings of the Company's

shareholders and to one vote in respect of each Common Share held at the record date for each such meeting. The holders of Common Shares are entitled to receive if, as and when declared by Company's board of directors, dividends in such amounts as shall be determined by the board. The holders of the Common Shares will participate *pro rata* in any distribution of the assets of the Company upon liquidation, dissolution or winding-up or other distribution of the assets of the Company. Such participation will be subject to the rights, privileges, restrictions and conditions attached to any of the Company's securities issued and outstanding at such time ranking in priority to the Common Shares upon the liquidation, dissolution or winding-up of the Company. Common Shares are issued only as fully paid and are non-assessable. Common Shares will only be issued through the book-based system administered by CDS in Canada, except in limited circumstances. See "*Description of Offered Securities - Book-Based System*".

As at December 13, 2018, the Company had 24,578,137 Common Shares issued and outstanding. As at December 13, 2018 after giving effect to the Minimum Offering, the Company would have 28,578,137 Common Shares issued and outstanding. As at December 13, 2018 after giving effect to the Maximum Offering, the Company would have 30,578,137 Common Shares issued and outstanding.

Warrants

The Warrants will be governed by the terms of a warrant indenture (the "**Warrant Indenture**") to be entered into between the Company and TSX Trust Company, as warrant agent thereunder (the "**Warrant Agent**"). The Company will appoint the principal transfer offices of the Warrant Agent in Toronto, Ontario as the location at which Warrants may be surrendered for exercise or transfer. The following summary of certain provisions of the Warrant Indenture contains all of the material attributes and characteristics of the Warrants but does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture.

Each Warrant will entitle the holder to purchase one Warrant Share at an exercise price of $1.20 per Warrant Share, subject to adjustment, at any time until the Warrant Expiry Time. **WARRANTS NOT EXERCISED PRIOR TO THE WARRANT EXPIRY TIME ON THE WARRANT EXPIRY DATE WILL BE VOID AND ALL RIGHTS WITH RESPECT TO SUCH WARRANTS SHALL TERMINATE AND BE CANCELLED**.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

(i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares by way of distribution (other than a distribution of Common Shares upon the exercise of the Warrants);

(ii) the subdivision, redivision or change of the Common Shares into a greater number of shares;

(iii) the reduction, combination or consolidation of the Common Shares into a lesser number of shares;

(iv) the fixing of a record date for the issue of rights, options or warrants to all or substantially all of the holders of the Common Shares under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or having an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, for the Common Shares on such record date; and

(v) the fixing of a record date for the making of a distribution to all or substantially all of the holders of the Common Shares of securities of any class, whether of the Company or any other entity (other than Common Shares), rights, options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares, evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the

exercise of the Warrants and/or exercise price per security in the event of the following additional events: (i) reclassifications of the Common Shares; (ii) consolidations, amalgamations, plans of arrangement or mergers of the Company with or into another entity (other than consolidations, amalgamations, plans of arrangement or mergers which do not result in any reclassification of the Common Shares or a change or exchange of the Common Shares into other securities); or (iii) the transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another company or other entity.

No adjustment in the exercise price or the number of Warrant Shares purchasable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the exercise price by at least 1%. Further, no adjustment will be made for Common Shares issued: (i) upon exercise of the Warrants; (ii) in connection with any share incentive plan or restricted share plan or share purchase plan in force from time to time for directors, officers, employees, consultants or other service providers of the Corporation; or (iii) in satisfaction of existing instruments issued at the date of the Warrant Indenture.

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 10 days prior to the record date or effective date, as the case may be, of such event.

If, at any time while the Warrants are outstanding, the Company undergoes a reclassification of the Common Shares or a capital reorganization of the Company other than as described in paragraphs (i), (ii) and (iii) under the subheading "*Warrants*", or a consolidation, amalgamation, arrangement or merger of the Company with or into any other body corporate, trust, partnership or other entity, or a sale or conveyance of the property and assets of the Company as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity (a "**Fundamental Transaction**"), then any Warrant holder who has not exercised its right of acquisition prior to the effective date of such Fundamental Transaction, upon the exercise of such right thereafter, shall be entitled to receive, in lieu of the number of Warrant Shares that prior to such effective date the Warrant holder would have been entitled to receive, the number of shares or other securities or property of the Company or of the body corporate, trust, partnership or other entity resulting from such Fundamental Transaction, that such Warrant holder would have been entitled to receive on such Fundamental Transaction, if, on the effective date thereof, the Warrant holder had been the registered holder of the number of Warrant Shares to which prior to such effective date it was entitled to acquire upon the exercise of the Warrants.

No fractional Warrant Shares will be issuable upon the exercise of any Warrants; instead any fractional Warrant Shares issuable will be rounded down to the nearest whole number and no cash or other consideration in lieu of any interest in or claim to any fraction of a Warrant Share will be paid.

No Warrant certificate evidencing any fraction of a Warrant shall be issued or otherwise provided for, and no person who purchases or holds a fraction of a Warrant shall be entitled to any cash or other consideration in lieu of any interest in or claim to any fraction of a Warrant. If a Warrant holder is entitled to a fraction of a Warrant the number of Warrants issued to that Warrant holder shall be rounded down to the nearest whole Warrant.

From time to time, the Company (when properly authorized) and the Warrant Agent, subject to the provisions of the Warrant Indenture, may amend or supplement the Warrant Indenture for certain purposes. Certain amendments or supplements to the Warrant Indenture may only be made by "extraordinary resolution", which is defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on such resolution; or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66⅔% of the aggregate number of all of the then outstanding Warrants.

The Warrants will not be exercisable by or on behalf of a person in the United States or by, or for the account or benefit of, a U.S. Person unless an exemption from registration under the U.S. Securities Act and any applicable state securities law is available and documentation to that effect is provided in accordance with the terms of the Warrant Indenture.

The Company has not applied and does not intend to apply to list the Warrants on any securities exchange. There will be no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased in the Offering. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation.

Book-Based System

Registration of interests in, and transfers of, the Offered Shares and Warrants will be made only through the book-based system of CDS. Offered Shares and Warrants must be purchased and transferred only through a CDS participant. All rights of an owner of Offered Shares must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS participant through which the owner holds such Offered Shares or Warrants. Upon purchase of any Offered Shares or Warrants, the owner will receive only a customary confirmation from the Agent or another registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares or Warrants is acquired. References in this short form prospectus to a holder of Offered Shares or Warrants means, unless the context otherwise requires, the owner of the beneficial interest in such Offered Shares or Warrants. Physical certificates evidencing Offered Shares and Warrants will not be issued except in limited circumstance and unless a request for a certificate is made to the Company. Physical certificates evidencing the Offered Shares and Warrants will be distributed to certain purchasers in the United States in limited circumstances.

The Company and the Agents will not have any liability for: (i) records maintained by CDS relating to the beneficial interests in the Offered Shares, Warrants or the book-based accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS participants.

The ability of a beneficial owner of Offered Shares or Warrants to pledge such Offered Shares or Warrants or otherwise take action with respect to such owner's interest in such Offered Shares or Warrants (other than through a CDS participant) may be limited due to the lack of a physical certificate to the extent that such owner has not requested a physical certificate from the Company. The Company has the option to terminate registration of the Offered Shares and Warrants through the book-based system in which case certificates for Offered Shares or Warrants in fully registered form may be issued to beneficial owners of such Offered Shares or Warrants or to their nominees.

CONSOLIDATED CAPITALIZATION

The following summarizes the changes in the Company's consolidated capitalization as at September 30, 2018, the last day of the Company's most recently completed fiscal period in respect of which financial statements have been filed, as well as after giving effect to the Minimum Offering and the Maximum Offering. The following table should be read in conjunction with the Interim Financial Statements and the Interim MD&A incorporated by reference in this short form prospectus.

Description of Capital	**Outstanding as at September 30, 2018 ($)**	**Outstanding as at September 30, 2018 after giving effect to the Minimum Offering ($)(1)**	**Outstanding as at September 30, 2018 after giving effect to the Maximum Offering ($)(1)**
Common Shares	$14,302,195 (24,578,137 Common Shares)	$17,142,195 (28,578,137 Common Shares(2))	$18,562,195 (30,578,137 Common Shares(2))
Warrants	$4,438,111 (3,045,425 Warrants(3))	$5,598,111 (5,045,425 Warrants(4))	$6,178,111 (6,045,425 Warrants(4))

Notes:

(1) Does not include the exercise of any options and warrants since September 30, 2018. For details of the share issuances in connection with such exercises, please see "*Prior Sales*" in this short form prospectus.
(2) Assuming no exercise of the Broker Warrants to be issued in connection with the Offering. Upon the exercise of all of the Broker Warrants issuable under the Minimum Offering into Broker Warrant Shares, there would be issued and outstanding 28,858,137 Common Shares. Upon the exercise of all of the Broker Warrants issuable under the Maximum Offering into Broker Warrant Shares, there would be issued and outstanding 30,998,137 Common Shares.
(3) Each outstanding warrant is exercisable to acquire one Common Share at an exercise price of $2.00.
(4) The Company will have 280,000 broker warrants issued and outstanding in the event of the Minimum Offering and 420,000 broker warrants issued and outstanding in the event of the Maximum Offering.

USE OF PROCEEDS

Proceeds

Assuming that the Minimum Offering is completed, the Company estimates that the net proceeds of the Offering will be approximately $3,450,000 after deducting the Commission of $280,000 and estimated expenses of the Offering of $270,000. In the event the Maximum Offering is completed, the Company estimates that the net proceeds of the Offering will be approximately $5,310,000 after deducting the Commission of $420,000 and estimated expenses of the Offering of $270,000

Principal Purpose, Business Objectives and Milestones

The Company intends to use the net proceeds from the Offering as follows:

Use of Net Proceeds		
	Minimum Offering ($4,000,000)(1)	**Maximum Offering ($6,000,000)(2)**
Continued clinical development of MDNA55	$2,500,000	$2,875,000
Pre-clinical development of Interleukin 2	$nil	$750,000
General corporate and working capital purposes	$950,000	$1,685,000

Use of Net Proceeds		
	Minimum Offering ($4,000,000)[1]	**Maximum Offering ($6,000,000)[2]**
TOTAL	$3,450,000	$5,310,000

Notes:

(1) After deducting $280,000 on account of the Commission payable to the Agents and $270,000 on account of expenses expected to be incurred in connection with the Offering.
(2) After deducting $420,000 on account of the Commission payable to the Agents and $270,000 on account of expenses expected to be incurred in connection with the Offering.

The net proceeds outlined above will be used towards achieving the following development milestones of the Company:

Milestone Number	Development Milestones	Estimated Cost ($)	Schedule for Milestone Completion
Milestone 1	Complete enrolment in the MDNA55 Phase 2b recurrent glioblastoma clinical trial Announce top-line results	2,500,000[1]	Q1, 2019 Q2, 2019
Milestone 2	Receive approval from a regulatory authority to initiate a Phase 2 proof-of concept study for MDNA55 for the treatment of newly diagnosed glioblastoma	375,000[2]	Q1, 2019
Milestone 3	Select lead Interleukin 2 superkine candidate	750,000	Q1, 2019

Notes:

(1) Completion of the Phase 2b recurrent glioblastoma clinical trial will be a major milestone for the Company. It is anticipated that the Company will raise additional funds following the announcement of top-line clinical data (Q2 2019) for the further development of the program or alternatively, enter into one or more partnership or licensing agreement(s) for the future development of the program pursuant to which certain milestone and royalty payments would be payable to Medicenna.
(2) Following completion of this milestone, Medicenna will either raise additional funds to complete the clinical trial or license the technology to a partner who would do so on Medicenna's behalf.
(3) While the Company previously targeted completion of Phase 2b by not later than Q4 2018, the protocol amendments announced in September 2017 and May 2018 have resulted in slower than anticipated patient recruitment. Patient enrolment is ongoing and, assuming completion of the Offering, completion of Phase 2b is currently targeted for Q1 2019. See "*Research & Development Update*" in the Interim MD&A.

The Company estimates that the aggregate cost of achieving Milestone 1 will be $2,750,000, broken down as follows:

Item/Activity	**Estimated Cost**
Patient treatment costs (10 patients)	$1,500,000
Clinical trial overhead costs	$750,000
Salaries and intellectual property costs	$500,000
Total	**$2,750,000**

The shortfall of $250,000 between the net proceeds from the Minimum Offering allocated to Milestone 1 of $2,500,000 and the total cost of $2,750,000 will be funded by the Company's available cash resources.

Medicenna is currently enrolling patients in a Phase 2b clinical trial for the treatment of recurrent glioblastoma (rGBM). The clinical trial is designed to treat up to 52 patients and as of November 23, 2018, 42 patients had been treated as part of the clinical trial. It is anticipated that all of the up to 52 patients will be treated by January 31, 2019. The proceeds of the Offering will be utilized to pay for the treatment costs of the remaining 10 patients estimated to be $1,500,000, as well as to cover all clinical trial overhead costs as well as salary and intellectual property costs to be incurred to Q2 2019 estimated to be $750,000 and $500,000 respectively. Upon completion of enrolment, the Company will collect data with respect to the primary and secondary endpoints which include overall response rate, median survival and overall survival. It is anticipated that this data will be available in Q2 2019. If the primary and/or secondary endpoints in the study are met by Q2 2019, the Company will either raise additional capital to fund future development (Phase 3 clinical trial) or alternatively, license the program to one or more partners who would develop the program on Medicenna's behalf in exchange for certain milestone and royalty payments payable to Medicenna. Should one or more of the key study endpoints not be met during top-line analysis in Q2 2019, and it is determined that none of the key endpoints may be achievable at a future follow-up date, then it is expected that further development of MDNA55 for rGBM will not be continued.

We intend to continue planning, supervising and managing the development of MDNA55 internally, while subcontracting out our research and development activities.

In the event that the Maximum Offering is completed, additional funding will be required to achieve the Company's business objectives, including the development and commercialization of MDNA55. The Company expects the completion of clinical development of MDNA55 (Phase 3 clinical trial), if undertaken, to last until at least 2021, with a projected aggregate cost of approximately $75 million, incremental to the net proceeds of the Offering. It is anticipated that following the successful completion of the Phase 2b clinical trial, the Company will license the program to one or more partners who would continue the Phase 3 clinical development of MDNA55 as well as prepare the program for commercialization. Additional time and capital will also be required to obtain pre-market approval for MDNA55 in the United States and Canada and to complete business development, marketing and other pre-commercialization activities related to the commercial launch of MDNA55. See "*Risk Factors*" in the AIF.

The Company is eligible to receive up to a total of US$14.1 million by way of a grant from CPRIT, and has received US$10.0 million in aggregate funding to date from CPRIT. The Company is eligible to receive the remaining US$4.1 million upon the achievement of certain criteria as determined by CPRIT, from time to time. There can be no assurances that the balance of such grants will be received by CPRIT. Should the remaining funds be received by the Company, such funds would allow Medicenna to complete the MDNA55 clinical trial for newly diagnosed glioblastoma and continue operations to the end of 2019.

The Company anticipates that its current level of cash will not be sufficient to execute its current planned expenditures for the next 12 months without further financing being obtained. This 12 month estimate assumes continued work on MDNA55 and IL-2 superkine.

If the Minimum Offering is completed, it is expected that the Company would be able to continue to operate for approximately nine months from the date of this short form prospectus and to complete Milestone 1 in the second quarter of 2019, as set forth in the milestone table above. If the Maximum Offering is completed, it is expected that the Company would be able to continue to operate for approximately twelve months from the date of this short form prospectus and to complete Milestone 2 in the first quarter of 2019 and advance Milestone 3 in the first quarter of 2019, as set forth in the milestone table above.

Negative Cash Flows from Operating Activities

The Company has not generated any revenue from product sales to date and it is possible that it will never have sufficient product sales revenue to achieve profitability and positive cash flow. Management expects that the Company will continue to incur losses for at least the next three years as it pursues further development of MDNA55 for the treatment of recurrent and newly diagnosed glioblastoma and the IL-2 superkine. To become

profitable, the Company must successfully develop, manufacture, market and sell MDNA55 or alternatively, license it to a pharmaceutical partner who could do so on behalf of Medicenna and pay certain milestone and royalty payments to Medicenna. Based on the highly competitive market, it is possible that the Company will never achieve significant product sales revenue. If funding is insufficient at any time in the future, the Company may not be able to develop or commercialize its products, take advantage of business opportunities or respond to competitive pressures. It is expected that some of the proceeds from the Offering will be used to fund anticipated negative cash flow from operating activities. See "*Risk Factors – Negative Operating Cashflow*".

As of September 30, 2018, the working capital balance of the Company was $1,319,150 with a monthly cash burn rate of $656,281 during the six months ended September 30, 2018.

The Company will invest the net proceeds of the Offering in short-term interest bearing investment grade securities until required for use. Any additional proceeds received from the exercise of the Company's outstanding securities will be used for research and development and for general corporate and working capital purposes.

The Company intends to use the funds available to it as stated in this short form prospectus; however, there may be circumstances where, for sound business reasons, that a reallocation of funds may be deemed prudent or necessary.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Company has agreed to sell and the Agents have agreed to arrange, on a best efforts basis, for purchasers of a minimum of 4,000,000 Units and a maximum of 6,000,000 Units at a price of $1.00 per Unit payable in cash to the Company against delivery of the Units, for minimum gross proceeds of $4,000,000 and maximum gross proceeds of $6,000,000. The Units will immediately separate into Offered Shares and Warrants upon issuance. The Offering Price was determined by negotiation between the Company and the Lead Agent.

The completion of the Offering may occur in one or more separate closings on one or more Closing Dates, as the Company and the Agents may agree. Provided that the Minimum Offering is subscribed for, it is expected that the first Closing Date will occur on or about December 21, 2018, or such other date as the Company and the Agents may agree.

If subscriptions for the Minimum Offering have not been received within 10 days following the date of issuance of a receipt for this short form prospectus, the Offering will not continue and the subscription proceeds will be returned to subscribers, without interest or deduction. In any event, the total period of the distribution will not end more than 90 days from the date of issuance of a receipt for this short form prospectus. Should a closing occur in respect of the Minimum Offering, one or more additional closings, if necessary, may occur until the earlier of the Maximum Offering being subscribed and the expiry of the 90-day period.

There can be no assurance that any or all of the Units being offered will be sold.

The Offering will be subject to subscriptions being received for the Minimum Offering. All funds received by the Agents will be held in trust by the Agents, registered dealers in Canada, until the Minimum Offering has been attained. All subscription funds received by the Agents will be returned, without any deductions, to investors if the Minimum Offering is not attained by the Closing Date.

The Warrants will be created and issued pursuant to the terms of the Warrant Indenture. Each Warrant will entitle the holder thereof to purchase one Warrant Share at an exercise price of $1.20 per Warrant Share, subject to adjustment, at any time until the Warrant Expiry Time, after which time the Warrants will expire and be void and of no value. The Warrant Indenture will contain provisions designed to protect the holders of Warrants against dilution upon the happening of certain events. No fractional Common Shares will be issued upon the exercise of any Warrants.

The obligations of the Agents under the Agency Agreement may be terminated by the Agents at any time in their

sole discretion, acting reasonably, on the basis of their assessment of the state of the Canadian or United States financial markets and on the occurrence of certain stated events. While the Agents have agreed to use their best efforts to sell the Units offered hereby, the Agents shall act as agents only and are not at any time obligated to purchase or to arrange for the purchase of Units.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Pursuant to the Agency Agreement, the Company has appointed the Agents to offer the Units to the public pursuant to the securities legislation of each of the provinces of British Columbia, Alberta and Ontario. The Agents may also offer for sale the Units in the United States or to, or for the account or benefit of, U.S. Persons, by or through United States registered broker-dealers that may be appointed by the Agents as sub-agents, under certain exemptions from the registration requirements of the U.S. Securities Act and applicable state laws. In addition, the Agents are entitled to offer the Units outside of Canada and the United States, provided that the Agents shall not take any action in connection with the distribution of the Units that would result in the Company being obligated to comply with the prospectus, registration, reporting or other similar requirements of the securities laws of any jurisdiction. In consideration of such services, the Company has agreed to pay, on each Closing Date, the Commission of 7% of the gross proceeds of the Offering (or $0.07 per Unit).

The Company has also agreed to grant, on each Closing Date, a number of Broker Warrants to the Agents and their designees equal to 7% of the aggregate number of Units issued pursuant to the Offering on such Closing Date. Each Broker Warrant, whether issued on the first Closing Date or a subsequent Closing Date, shall be exercisable for a period of 24 months following the first Closing Date for one Broker Warrant Share at an exercise price equal to $1.20. This short form prospectus qualifies the grant of the Broker Warrants.

Certificates evidencing the Offered Shares and the Warrants will not be issued unless a request for a certificate is made to the Company. Physical certificates evidencing the Offered Shares and Warrants will be distributed to purchasers in the United States who are U.S. Accredited Investors.

The Company has not applied and does not intend to apply to list the Warrants on any securities exchange. There will be no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased in the Offering. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. See "*Description of Offered Securities – Warrants*".

The Company has agreed to indemnify and save harmless the Agents and each of their affiliates and their respective directors, officers, employees, partners, agents and advisors (individually, an "**Indemnified Party**"), from and against any and all losses (except loss of profit), claims, actions, suits, proceedings, damages, liabilities or expenses of whatsoever nature or kind that relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the performance of the professional services rendered to the Company by an Indemnified Party pursuant to the Agency Agreement or otherwise in connection with the matters referred to in the Agency Agreement. This indemnity does not apply to the extent such losses, claims, actions, suits, proceedings, damages, liabilities or expenses as to which indemnification is claimed are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted from a breach by an Indemnified Party of the Agency Agreement or the gross negligence, wilful misconduct or fraud of such Indemnified Party.

The Units, the Offered Shares, the Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any securities or "blue sky" laws of any of the states of the United States, and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except as permitted in the Agency Agreement, and as expressly permitted by applicable laws of the United States, the Agents will not offer, sell or deliver the Units within the United States or to, or for the account or benefit of U.S. Persons. The Agency Agreement will enable the Agents, by or through certain United States registered broker-dealers that may be appointed by the Agents as sub-agents, to offer and sell the Units in the United States to U.S. Accredited Investors and "qualified institutional buyers" within the meaning of Rule 144A under the U.S. Securities Act ("**Qualified Institutional Buyers**"), provided such offers and sales are made in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act and applicable state

securities laws. Moreover, the Agency Agreement will provide that the Agents, by or through certain United States registered broker-dealers appointed by the Agents as sub-agents, will offer and sell the Units outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. The Units that are sold in the United States or to, or for the account or benefit of, a U.S. Person will be restricted securities within the meaning of Rule 144(a)(3) of the U.S. Securities Act and will carry resale restrictions to the effect that such securities may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act.

This short form prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Units within the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units offered hereby within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act unless such offer or sale is made pursuant to an exemption under the U.S. Securities Act.

RISK FACTORS

Investing in the Company's securities is speculative and involves a high degree of risk. You should carefully consider the risks set out below and under the heading "*Risk Factors*" beginning on page 24 of the AIF, and the other documents incorporated by reference in this short form prospectus, that summarize the risks that may materially affect the Company's business before making an investment in the Company's securities. Please see "*Documents Incorporated by Reference*". If any of these risks occur, the Company's business, results of operations or financial condition could be materially adversely affected. In that case, the trading price of the securities could decline, and you may lose all or part of your investment. The risks set out in the documents indicated above are not the only risks the Company faces. You should also refer to the other information set forth in this short form prospectus as well as those incorporated by reference herein and therein, including financial statements and the related notes. The following are certain risks related to the Offering.

There can be no assurance that the Offering will be completed

The completion of the Offering is subject to the completion of definitive binding documentation and satisfaction of a number of conditions, including the receipt of subscriptions for the Minimum Offering within 10 days following the date of issuance of a receipt for this short form prospectus. There can be no certainty that the Offering will be completed.

Negative Operating Cashflow

The Company has a history of losses, and there is no assurance that any of its contemplated products will generate sustainable earnings, be profitable or provide a return on investment in the future. The Company has not paid dividends in the past. Its directors will determine the future dividend policy of the Company if the Company generates earnings in the future, based on operational circumstances at that time. The Company had negative cash flow from operating activities for its fiscal year ended March 31, 2018 and for the interim period ended September 30, 2018 and this negative cash flow is expected to continue. The Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company. See "*Use of Proceeds*".

The Common Shares are Subject to Market Price Volatility

The market price of the Common Shares may be adversely affected by a variety of factors relating to the Company's business, including fluctuations in the Company's operating and financial results, the results of any public announcements made by the Company and the Company's failure to meet analysts' expectations. In addition, from time to time, the stock market experiences significant price and volume volatility that may affect the market price of the Common Shares for reasons unrelated to the Company's performance. Additionally, the value of the Common Shares is subject to market value fluctuations based upon factors which influence the Company's operations, such as legislative or regulatory developments, competition, technological change and the

performance of equity markets and changes in interest rates.

There will be no market for the Warrants

The Company has not applied and does not intend to apply to list the Warrants on any securities exchange. There will be no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased in the Offering. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants, and the extent of issuer regulation. The Offering Price has been determined by negotiations between the Company and the Lead Agent. The allocation of the Offering Price between the Offered Shares and the Warrants comprising the Units has been determined by the Company.

Holders of Warrants Have no Rights as a Shareholder

Until a holder of Warrants acquires Warrant Shares upon exercise of Warrants, such holder will have no rights with respect to the Warrant Shares underlying such Warrants. Upon exercise of such Warrants, such holder will be entitled to exercise the rights of a common shareholder only as to matters for which the record date occurs after the exercise date.

Additional Issuance of Common Shares May Result in Dilution

The Company's articles of the Company allow it to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as shall be established by the board of directors of the Company, in many cases, without the approval of the Company's shareholders. The Company may issue additional Common Shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for Common Shares) and on the exercise of stock options or other securities exercisable for Common Shares. The Company may also issue Common Shares to finance future acquisitions. The Company cannot predict the size of future issuances of Common Shares or the effect that future issuances and sales of Common Shares will have on the market price of the Common Shares. Issuances of a substantial number of additional Common Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the Common Shares. With any additional issuance of Common Shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

Use of Proceeds

It is expected that the net proceeds will be used in the manner discussed in "*Use of Proceeds*". However, the Company's management will have broad discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditures, and there can be no assurance as to how the funds will be allocated. The Company may reallocate the net proceeds of the Offering other than as described under the heading "*Use of Proceeds*" if management of the Company believes it would be in the Company's best interest to do so and in ways that a purchaser may not consider desirable. Until utilized, the net proceeds of the Offering will be invested by the Company in short-term interest bearing investment grade securities. As a result, a purchaser will be relying on the judgment of management of the Company for the application of the net proceeds of the Offering. The results and the effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Company s business, financial condition and results of operations may suffer, which could adversely affect the price of the Common Shares on the open market.

Enforcement of judgments against foreign persons may not be possible

Canadian investors should be aware that each of the Non-Resident Directors resides outside of Canada; as a result, it may not be possible for purchasers of the Units to effect service of process within Canada upon the Non-Resident Directors. All or a substantial portion of the assets of each of the Non-Resident Directors are likely to be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Non-Resident Directors in Canada or to enforce a judgment obtained in Canadian courts against the Non-Resident Directors outside of Canada.

ELIGIBILITY FOR INVESTMENT

In the opinion of Baker & McKenzie LLP, counsel for the Company, and McCarthy Tétrault LLP, counsel to the Agents, based on the provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder (the "**Regulations**") in force as of the date hereof,

- the Offered Shares and Warrant Shares will, if issued on the date hereof, be qualified investments for trusts governed by registered retirement savings plans (each a "**RRSP**"), registered education savings plans (each a "**RESP**"), registered retirement income funds (each a "**RRIF**"), registered disability savings plans (each a "**RDSP**"), deferred profit sharing plans and tax-free savings accounts (each a "**TFSA**"), all within the meaning of the Tax Act (collectively, the "**Plans**") provided that the Offered Shares and Warrant Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX); and
- the Warrants will, if issued on the date hereof, be qualified investments for Plans provided that (i) the Warrant Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX); and (ii) the Company is not, and deals at arm's length with each person who is, an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Plan.

Notwithstanding the foregoing, if the Offered Shares, Warrant Shares or Warrants held by a Plan are "prohibited investments" for purposes of the Tax Act, the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF or the subscriber of the RESP will be subject to a penalty tax as set out in the Tax Act. The Offered Shares, Warrant Shares and Warrants will be a "prohibited investment" if the holder of a TFSA or RDSP, the annuitant of a RRSP or RRIF or the subscriber of the RESP, as the case may be: (i) does not deal at arm's length with the Company for purposes of the Tax Act; or (ii) has a "significant interest" (within the meaning of the Tax Act) in the Company. In addition, the Offered Shares, Warrant Shares and Warrants will not be a "prohibited investment" if the Offered Shares, Warrant Shares and Warrants are "excluded property", as defined in the Tax Act, for a Plan. Holders who intend to hold Offered Shares, Warrant Shares or Warrants in a Plan should consult their own tax advisors in this regard.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Baker & McKenzie LLP, counsel to the Company, and McCarthy Tétrault LLP, counsel to the Agents, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act and Regulations thereunder to the acquisition, holding and disposition of Offered Shares, Warrant Shares or Warrants by a holder ("**Holder**" and collectively, the "**Holders**") who acquires Units pursuant to this short form prospectus. For the purposes of this summary, the term "Common Shares" shall also include the Offered Shares and any Warrant Shares acquired upon the exercise of the Warrants, unless the context otherwise requires. This summary is applicable to a Holder who, for the purposes of the Tax Act and at all relevant times, deals at arm's length with, and is not affiliated with the Company and acquires and holds Common Shares and Warrants as capital property. Generally, the Common Shares or Warrants will be considered to be capital property to a Holder provided that the Holder does not acquire or hold such Common Shares or Warrants in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" for purposes of the "mark-to-market" rules in the Tax Act; (ii) that is a "specified financial institution" within the meaning of the Tax Act; (iii) that reports its "Canadian tax results" within the meaning of the Tax Act in a currency other than Canadian currency; (iv) an interest in which is a "tax shelter" or "tax shelter investment", each within the meaning of the Tax Act; (v) that has entered or will enter into a "derivative forward agreement" or "synthetic disposition agreement", each within the meaning of the Tax Act, in respect of Common Shares and/or Warrants; (vi) that is a partnership; (vii) that is exempt from tax under Part I of the Tax Act; or (viii) that receives dividends on Common Shares under or as part of a "dividend rental arrangement" within the meaning of the Tax Act. Such holders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of the Common Shares and Warrants. In addition, this summary does not address the deductibility of interest by a purchaser who has borrowed money to acquire Common Shares or Warrants.

This summary is based upon the current provisions of the Tax Act and the Regulations thereunder in force as of the date hereof, all specific proposals to amend the Tax Act and Regulations thereunder (the "**Tax Proposals**") which have been announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") which have been made publicly available prior to the date hereof. Except for the Tax Proposals, this summary does not take into account or anticipate any other changes in law or in the administrative policies or assessing practices of the CRA, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed herein. This summary assumes that the Tax Proposals will be enacted as currently proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all. There can be no assurance that the CRA will not change its administrative policies or assessing practices.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Common Shares or Warrants. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the tax consequences of an investment in Common Shares and Warrants, based on their particular circumstances.

Acquisition of Common Shares and Warrants

In acquiring the Units, Holders will be acquiring ownership of the Offered Shares and Warrants represented by such Units. The Offered Shares and Warrants represented by Units are separate properties and, accordingly, each Holder will be required to allocate the purchase price paid for each Unit between the Offered Share and the Warrant on a reasonable basis in order to determine the cost to it of each for the purposes of the Tax Act. The Company has advised its counsel that, of the $1.00 Offering Price, the Company intends to allocate approximately $0.71 to the Offered Share and $0.29 to each one-half of one Warrant. Although the Company believes that such allocation is reasonable, it is not binding on the CRA or any Holder and the CRA may not agree with such allocation. Counsel expresses no opinion with respect to such allocation.

When Common Shares (including an Offered Share) or Warrants are acquired by a Holder who already owns Common Shares or Warrants, the cost of newly acquired Common Shares or Warrants will generally be averaged with the adjusted cost base of all Common Shares or Warrants, respectively, owned by the Holder as capital property before that time for the purpose of determining the Holder's adjusted cost base of a Common Share or a Warrant, as the case may be, held by such person.

Exercise of Warrants

The exercise of a Warrant to acquire a Warrant Share does not constitute a disposition of property for purposes of the Tax Act and consequently no gain or loss will be realized by a Holder upon such an exercise. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will generally be determined by averaging such cost with the adjusted cost base to the Holder of all other Common Shares owned by the Holder and held as capital property immediately prior to such acquisition.

Holders Resident in Canada

The following section of this summary is generally applicable to a Holder who, for purposes of the Tax Act and any applicable tax treaty or convention, is or is deemed to be resident of Canada at all relevant times (a "**Resident Holder**"). Certain Resident Holders who might not otherwise be considered to hold Common Shares as capital property may, in certain circumstances, be entitled to have such Common Shares (but, for avoidance of doubt, not Warrants) and all other "Canadian securities" as defined in the Tax Act owned by them in the year in which the election is made and all subsequent taxation years deemed to be capital property by making an irrevocable election under subsection 39(4) of the Tax Act. **Resident Holders contemplating such an election should consult their own advisors.**

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, the Resident Holder will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant immediately before its expiry. The tax treatment of capital gains and losses is discussed in greater detail below under the subheading "*Capital Gains and Losses*".

Dividends

Dividends received or deemed to be received on the Common Shares will be included in computing the Resident Holder's income.

In the case of a Resident Holder that is an individual (other than certain trusts) such dividends will be subject to the gross-up and dividend tax credit rules applicable in respect of "taxable dividends" received from "taxable Canadian corporations" (each as defined in the Tax Act). An enhanced dividend tax credit will generally be available to a Resident Holder that is an individual in respect of dividends designated by the Company to the Resident Holder in accordance with the provisions of the Tax Act as "eligible dividends" (as defined in the Tax Act). There may be limitations under the Tax Act on the ability of the Company to designate dividends as "eligible dividends". Dividends received or deemed to be received by a Resident Holder who is an individual (other than certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the Tax Act. Such Resident Holders should consult their own tax advisors in this regard.

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividends that is included in its income for a taxation year received or deemed to be received on the Common Shares will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act may treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

Resident Holders that are "private corporations" (as defined in the Tax Act) or "subject corporations" (as defined in the Tax Act) may be liable to pay an additional tax (refundable under certain circumstances) under Part IV of the Tax Act on dividends received (or deemed to be received) on the Common Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income for the year.

Disposition of Common Shares and Warrants

A disposition or deemed disposition by a Resident Holder of Common Shares (other than a disposition to the Company, unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market) or Warrants (other than upon the exercise or expiry of Warrants) will generally give rise to a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or less) than such Resident Holder's adjusted cost base for such Common Shares or Warrants, as the case may be, immediately before the disposition or deemed disposition.

The tax treatment of capital gains and losses is discussed in greater detail below under the subheading "*Capital Gains and Losses*".

Capital Gains and Losses

Generally, one-half of any capital gain will be included in the Resident Holder's income as a taxable capital gain and one-half of any capital loss will be deducted as an allowable capital loss against taxable capital gains realized in the taxation year of disposition or deemed disposition to the extent and under the circumstances prescribed in the Tax Act. Generally, allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be applied to reduce net taxable capital gains realized in the three preceding taxation years or in any subsequent taxation year to the extent and in the circumstances prescribed in the Tax Act.

If the Resident Holder is a corporation, any capital loss arising on the disposition or deemed disposition of a Common Share (or a share for which the Common Share has been substituted) may, in certain circumstances prescribed by the Tax Act, be reduced by the amount of any dividends previously received or deemed to have been previously received on such Common Share. Similar rules may apply to reduce any capital loss in respect of the disposition or deemed disposition of Common Shares held, directly or indirectly, by a trust or partnership of which a corporation, partnership or trust is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout the relevant taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act), which generally includes taxable capital gains.

Capital gains received or deemed to be received by a Resident Holder who is an individual (other than certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the Tax Act. Such Resident Holders should consult their own tax advisors in this regard.

Holders Not Resident in Canada

The following section of this summary is generally applicable to a Holders who, for the purposes of the Tax Act and any applicable tax treaty or convention, at all relevant times (i) is not a resident or deemed to be a resident in Canada at any time while they hold the Common Shares or Warrants; and (ii) does not use or hold, and is not deemed to use or hold, the Common Shares or Warrants in connection with, or in the course of carrying on, a business in Canada (a "**Non-Resident Holder**").

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an "authorized foreign bank" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company will be subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident. For example, under the *Canada-United States Tax Convention* (1980), as amended (the "**Treaty**"), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the United States for purposes of the Treaty and entitled to the full benefits under the Treaty (a "**U.S. Holder**") is generally reduced to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a corporation beneficially owning at least 10% of the Company's voting shares). Non-Resident Holders are urged to consult their own tax advisors to determine their entitlement to relief under an applicable income tax treaty.

Dispositions of Common Shares and Warrants

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Common Share or a Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Common Share or Warrant, as applicable, constitutes or is deemed to constitute "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act, and the Non-Resident Holder is not entitled to relief in respect of the gain pursuant to the terms of an applicable tax treaty between Canada and the country in which the Non-Resident Holder is resident.

Provided the Common Shares are listed on a "designated stock exchange", as defined in the Tax Act (which includes the TSX), at the time of disposition, the Common Shares and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length, partnerships in which the Non-

Resident Holder or such non-arm's length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of (A) real or immovable property situated in Canada, (B) "Canadian resource property" (as defined in the Tax Act), (C) "timber resource property" (as defined in the Tax Act), or (D) an option in respect of, an interest in, or for civil law rights in, property described in any of (A) through (C), whether or not such property exists. Notwithstanding the foregoing, a Common Share or Warrant may otherwise be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain limited circumstances.

A Non-Resident Holder's capital gain (or capital loss) in respect of a disposition of Common Shares or Warrants that constitute or are deemed to constitute taxable Canadian property to a Non-Resident Holder (and are not "treaty-protected property" as defined in the Tax Act) will generally be computed in the manner described above under the subheading "*Holders Resident in Canada — Disposition of Common Shares and Warrants*" as though the Non-Resident Holder were a Resident Holder. Non-Resident Holders whose Common Shares or Warrants are taxable Canadian property should consult their own tax advisors regarding the tax and compliance considerations that may be relevant to them.

MATERIAL CONTRACTS

The Agency Agreement is the only material contract of the Company, other than those entered into in the ordinary course of business, which the Company has entered into since the beginning of the last financial year before the date of this short form prospectus, or entered into prior to such date but which contract is still in effect. A copy of the Agency Agreement is available through the internet under the Company's profile on SEDAR which can be accessed at www.sedar.com.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares in Canada is TSX Trust Company, at its principal office in Toronto, Ontario, Canada.

PROMOTERS

Dr. Fahar Merchant and Rosemina Merchant may be considered promoters of the Company under applicable securities laws.

EXPERTS

The Company's financial statements as at March 31, 2018 incorporated by reference in this short form prospectus have been audited by Davidson & Company, independent auditors, as set forth in their report incorporated by reference in this short form prospectus. Davidson & Company is independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

LEGAL MATTERS

Certain legal matters relating to the Offering and the validity of the securities offered by this short form prospectus are being passed upon for us by Baker & McKenzie LLP, Toronto, Ontario, the Company's Canadian counsel, and on behalf of the Agents by McCarthy Tétrault LLP.

As of the date hereof, the "designated professionals" (as such term is defined in Form 51-102F2 – *Annual Information Form*) of each of Baker & McKenzie LLP and McCarthy Tétrault LLP, respectively, beneficially own, directly or indirectly, less than 1% of the Company's issued and outstanding securities.

PURCHASERS' STATUTORY RIGHTS AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

Original purchasers of securities issued under this short form prospectus which are convertible, exchangeable or exercisable into other securities of the Company ("**Convertible Securities**") will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Convertible Securities. The contractual right of rescission will entitle such original purchasers to receive both the original amount paid for such securities, as well as the amount paid upon conversion, exchange or exercise of such Convertible Securities, upon surrender of the securities issued to such purchaser upon conversion, exchange or exercise of such Convertible Securities (or any convertible securities issued upon the conversion of such Convertible Securities, if applicable), in the event that this short form prospectus contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the Convertible Securities under this short form prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of such Convertible Securities under this short form prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers of Convertible Securities under section 130 of the *Securities Act* (Ontario) or otherwise at law.

Original purchasers of Convertible Securities are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is, under the securities legislation of certain provinces, limited to the price at which such Convertible Securities were offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages, or consult with a legal advisor.

The Company and the Agents hereby confirm that purchasers who purchase Units under the Offering through the Company have the same rights and remedies for rescission and/or damages against the Company and the Agents, as the case may be, as purchasers who purchase Units under the Offering through the Agents.

CERTIFICATE OF THE COMPANY

Dated: December 14, 2018

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

MEDICENNA THERAPEUTICS CORP.

(SIGNED) *Fahar Merchant*

Chief Executive Officer

(SIGNED) *Elizabeth Williams*

Chief Financial Officer

On behalf of the Board of Directors of Medicenna Therapeutics Corp.

(SIGNED) *Chandrakant Panchal*

Director

(SIGNED) *Albert Beraldo*

Director

CERTIFICATE OF THE PROMOTERS

Dated: December 14, 2018

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

(SIGNED) *Fahar Merchant*

Promoter

(SIGNED) *Rosemina Merchant*

Promoter

CERTIFICATE OF THE AGENTS

Dated: December 14, 2018

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

BLOOM BURTON SECURITIES INC.

(SIGNED) *Jolyon Burton*

President and Head of Investment Banking

MACKIE RESEARCH CAPITAL CORPORATION

(SIGNED) *David Keating*

Managing Director

RICHARDSON GMP LIMITED

(SIGNED) *Nargis Sunderji*

Vice President, Private Client Capital Markets