

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE DECEMBER 29, 2017.

CONVERTIBLE SECURED DEBENTURE
(this “**Debenture**”)

Principal: CAD \$675,000

August 28, 2017

1. Loan

For value received, the undersigned, Crescita Therapeutics Inc. (the “**Borrower**”) hereby (a) issues this Debenture to [REDACTED: ACCOUNT INFORMATION] (the “**Nominee**”) as the nominee for and on behalf of Bloom Burton Healthcare Lending Trust II (the “**Lender**”); and (b) acknowledges itself indebted to the Lender and promises to pay to or to the order of the Nominee, on behalf of the Lender, the principal sum of six hundred and seventy-five thousand dollars (\$675,000) in lawful money of Canada (the “**Principal Sum**”) on or before June 30, 2022 (the “**Maturity Date**”). The Lender has appointed the Nominee to act as the nominee for and on behalf of the Lender with respect to all matters relating to this Debenture. Notwithstanding the foregoing sentence, for the avoidance of doubt, the Borrower acknowledges that all of the obligations, covenants and representations of the Borrower under the Loan Documents are in favour of, and will be performed and discharged for the benefit of, the Lender.

2. Interest.

- (a) Interest is payable, both before and after demand, default and judgment, on the outstanding non-converted Principal Sum at the rate of 9.0% per annum. Interest will be calculated daily and will be payable quarterly in arrears in cash on each of the following days of each calendar year until the Maturity Date: September 30th, December 31st, March 31st, and June 30th.
- (b) For purposes of the *Interest Act* (Canada):
 - (i) whenever any interest or fee under this Debenture is calculated using a rate based on a year, the rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to (x) the applicable rate based on a year of 360 days, (y) multiplied by the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends, and (z) divided by 360;
 - (ii) the principle of deemed reinvestment of interest does not apply to any interest calculation under this Debenture; and
 - (iii) the rates of interest stipulated in this Debenture are intended to be nominal rates and not effective rates or yields.

3. **Payments.**

- (a) The Borrower may not prepay any amounts owing hereunder during the first year after the date hereof. Subsequent to the first anniversary of the date hereof, the Borrower may, in its sole discretion, make early repayments of the Principal Sum, in whole or in part, at any time and from time to time up to the Maturity Date. Prepayments of the Principal Sum can be made by the repayment of the Principal Sum, in whole or in part, in cash, and the payment, in cash, of any and all unpaid and accrued interest relating to the portion of the Principal Sum being prepaid up to but excluding the date of repayment.
- (b) Subject to Section 11, unless otherwise expressly provided in writing by the Nominee, the Borrower shall make any payment made by it under this Debenture to the Nominee without set-off, deduction, withholding, or counterclaim or cross-claim, by depositing the amount of the payment not later than 10:00 a.m. (Toronto time) on the Maturity Date (or such other date that such payment is due), to an account specified by the Nominee.
- (c) Any amount outstanding under the Loan Documents, including any unpaid and accrued interest, will (i) rank junior to the Knight Indebtedness (as defined below) in accordance with the terms of the Postponement and Subordination Agreement (as defined below) and Indebtedness secured by the Valeant Lien, and (ii) rank senior to any Related Party Indebtedness (other than Indebtedness referenced in (i)).
- (d) The Nominee shall maintain accounts and records evidencing all payments hereunder, which accounts and records shall constitute, in the absence of manifest error, prima facie evidence thereof.
- (e) The Borrower shall not be obliged to pay any interest or other amounts hereunder to the extent prohibited by Applicable Law and, if necessary, interest or other amounts hereunder shall be reduced such that such amounts paid or payable shall not exceed the maximum permitted under such Applicable Law.

4. **Security.** Subject to as otherwise stated in this Debenture, as security for the due and punctual payment and performance in full of all Obligations, the Borrower will grant and maintain a security interest for the benefit of the Nominee on all of its property, both present and future and of every nature and kind and wherever situated (the “**Borrower Security Documents**”) as the Nominee may reasonably require (the “**Borrower Security**”). The Borrower Security will create, in favour of the Nominee, an Encumbrance subject to Permitted Encumbrances. INTEGA will deliver an unconditional guarantee for the performance in full by the Borrower of all of its Obligations (the “**INTEGA Guarantee**”) and, in support of the INTEGA Guarantee, will grant and maintain a security interest, subject to Permitted Encumbrances, for the benefit of the Nominee on all of its property, both present and future and of every nature and kind and wherever situated (the “**INTEGA Security Documents**”) which along with the INTEGA Guarantee and the Borrower Security Documents are collectively referred to as the “**Bloom Burton Security Documents**”) as the Nominee may reasonably require

(collectively the “**Bloom Burton Security**”). The Bloom Burton Security Documents will include such legal opinions, certificates of officers, resolutions and Encumbrances searches, as the case may be, as the Nominee may reasonably require.

5. **Additional Credit Parties.** At the request of the Nominee, acting reasonably, the Borrower will cause each Person that is a Subsidiary of the Borrower forthwith after the date hereof, to execute and deliver to the Nominee security documents similar to those delivered by the Borrower, in a form and substance satisfactory to the Nominee acting reasonably, together with such legal opinions and other supporting documents as the Nominee may reasonably require.
6. **Further Assurances.** The Borrower shall take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the Nominee such agreements, documents and instruments as the Nominee shall reasonably request, and register, file or record the same (or a notice or financing statement in respect thereof) in all offices where such action, execution, delivery, registration, filing or recording is, in the opinion of the Nominee or Nominee’s counsel, acting reasonably, necessary or advisable to constitute, perfect and maintain the Bloom Burton Security Documents as Encumbrances of Borrower or the Person granting such Encumbrances in accordance with the rankings set forth in Section 4, subject to the Permitted Encumbrances, in all jurisdictions reasonably required by the Nominee, in each case within a reasonable time after the request therefor by the Nominee or Nominee’s counsel, and in each case in form and substance satisfactory to the Nominee and Nominee’s counsel, acting reasonably. If any assets of the Borrower or INTEGA are physically moved, transferred to a Subsidiary or new assets are acquired in any geographic area which is not, in the reasonable opinion of Nominee’s counsel, adequately covered by the Bloom Burton Security Documents, the Borrower shall or shall cause the execution, delivery, registration, filing or recording where, in the opinion of the Nominee or Nominee’s counsel, such filing or registration is necessary or advisable.
7. **Security Effective Notwithstanding Date of Debenture.** The Bloom Burton Security shall be effective and the undertakings in this Debenture and the other Loan Documents with respect thereto shall be continuing, whether the monies hereby or thereby secured or any part thereof shall be advanced before or after or at the same time as the creation of any such security or before or after or upon the date of execution of this Debenture. Subject to Section 8 herein, the Bloom Burton Security shall not be affected by any payments on this Debenture or any of the other Loan Documents, but shall constitute continuing security to and in favour of the Nominee for the Obligations from time to time.
8. **Release of Security.**
 - (a) The Nominee will, at the cost and expense of the Borrower, release and discharge the right and interest of the Nominee in the Collateral, following indefeasible payment and performance in full of all Obligations of the Borrower under this Debenture and the other Loan Documents.

- (b) In addition, if any Property of Borrower is disposed of as permitted by this Agreement or is otherwise released from the Bloom Burton Security at the direction or with the consent of the Nominee, at the request, cost and expense of the Borrower (on satisfaction, or on being assured of concurrent satisfaction, of any condition to or obligation imposed with respect to such disposition), the Nominee shall discharge such Property from the Bloom Burton Security and deliver and re assign to the Borrower or its Subsidiaries (without any representation or warranty) any of such Property as is then in the possession of the Nominee.
- 9. Conversion Privilege.** At any time up to and including the Maturity Date, the Nominee, in its sole discretion, may convert, in whole or in part, the Principal Sum then outstanding into Common Shares (as defined below), all on the terms and conditions set out in Schedule A hereto.
- 10. Forced Conversion.** Commencing on the second anniversary of the date hereof, if the closing price of the Common Shares on the Exchange equals or exceeds 150% of the Conversion Price (defined in Schedule A) for a period of 20 trading days within any 30 trading day period the Borrower may, upon not less than 30 days prior written notice to the Nominee, cause the Principal Sum then outstanding to be converted into Common Shares on the terms and conditions set out in Schedule A hereto.
- 11. Withholdings.**
- (a) Any payments made by or on behalf of the Borrower under or with respect to the Debenture will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, unless the Borrower or any other payor is required to withhold or deduct taxes by Applicable Law or by the interpretation or administration thereof by the relevant Governmental Authority. If the Borrower or such other payor is so required to withhold or deduct any amount for or on account of taxes from any payment made under or with respect to the Debenture, the Borrower or such other payor (as applicable) will make such withholding or deduction and will remit the full amount withheld or deducted to the relevant Governmental Authority as and when required by Applicable Law.
- (b) Where the Borrower is required by Applicable Law to withhold or deduct taxes from any payment made on a conversion of the Debenture into Common Shares or in any other circumstance where the Borrower is not making a cash payment to the Nominee sufficient to satisfy the withholding required, the Borrower shall deliver to the investment banks, brokers or dealers selected by it, out of the Common Shares issued by the Borrower to the Nominee, such number of Common Shares that is sufficient to yield net proceeds (after payment of all costs) to cover the amount of taxes required to be withheld, and shall remit same to the relevant Governmental Authority as and when required by Applicable Law.
- 12. Confirmations of the Nominee.** By accepting this Debenture, the Nominee confirms that:

- (a) the Nominee has received the Debenture as principal for itself and for the Lender's account and not for the benefit of any other person and not with a view to the resale or distribution of all or any of the Debenture;
- (b) the Nominee acknowledges that the Debenture has not been qualified under applicable Canadian securities laws, and that the Debenture has been issued to the Nominee in reliance on exemptions from the prospectus requirements under applicable Canadian securities laws;
- (c) the Nominee is solely responsible to find out what resale restrictions apply to the transfer of the Debenture under Applicable Securities Legislation and the Nominee is solely responsible (and the Borrower is in no way responsible) for compliance with applicable resale restrictions and the Nominee is aware that it may not be able to resell the Debenture except in accordance with limited exemptions under Applicable Laws;
- (d) each Lender and the Nominee is an "accredited investor" as such term is defined in applicable Canadian securities laws; and
- (e) each Lender and the Nominee (i) has been notified by the Borrower: (1) that the Borrower may be required to deliver, and if so required the Borrower will deliver, to the Ontario Securities Commission, the personal information pertaining to the Nominee and each Lender ("**Personal Information**") as required to be disclosed in Schedule I or II of Form 45-106F1, under NI-45-106; (2) that, in such case, such Personal Information is being collected by the applicable securities regulatory authority under the authority granted to it in securities legislation; (3) that, in such case, such Personal Information is being collected for the purposes of the administration and enforcement of the securities legislation of the local jurisdiction; (4) that the public official in the local jurisdiction who can answer questions about the indirect collection of the Personal Information can be found in NI-45-106F1; and (ii) has authorized the indirect collection of the Personal Information by the applicable securities regulatory authority.

13. Affirmative Covenants of the Borrower. So long as any amount owing under any of the Loan Documents remains unpaid or the Nominee or any Lender has any obligation under any of the Loan Documents, the Borrower shall do the following:

- (a) **Payments of Principal Sum and Interest.** Subject to Section 9 and Section 10, pay the Principal Sum and all accrued interest upon same becoming due and payable in cash.
- (b) **Conduct of Business, Maintenance of Existence, Compliance with Laws.** Carry on and conduct its business and operations in a proper, efficient and businesslike manner, in accordance with good business practice except for non-compliance which would not have a Material Adverse Effect; preserve, renew and keep in full force and effect its existence; and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal

conduct of its business and to comply in all material respects with its Material Contracts, Material Licences and Requirements of Law.

- (c) **Payment of Taxes and Claims.** Pay or discharge or cause to be paid or discharged, before the same shall become delinquent (i) all taxes imposed upon it or upon its income or profits or in respect of its business or Property and file all tax returns in respect thereof; (ii) all lawful claims for labour, materials and supplies; (iii) all required payments under any of its Indebtedness, and (iv) all other obligations; provided, however that it shall not be required to pay or discharge or to cause to be paid or discharged any such amount so long as the validity or amount thereof shall be contested in good faith by appropriate proceedings and, in the case of clause (i) above, an appropriate reserve in accordance with IFRS has been established in its books and records.
- (d) **Access to Information.** Promptly provide the Nominee with all information reasonably requested by the Nominee from time to time concerning its financial condition and Property, and during normal business hours and from time to time upon reasonable notice, permit representatives of the Nominee to inspect any of its Property and to examine and take extracts from its financial books, accounts and records including but not limited to accounts and records stored in computer data banks and computer software systems, and to discuss its financial affairs, its business or any part of its Property with its senior officers. Provided that if a Default or Event of Default is then continuing, the Borrower will pay all reasonable expenses incurred by such representatives in order to visit the Borrower's premises or attend at the Borrower's principal office, as applicable, for such purposes. The Borrower shall also provide the Nominee with all information provided to its board members (including meeting minutes) in advance of any board meetings or drafts of any consent resolutions which will be signed in lieu of any meetings. Promptly, following any board meetings, the minutes of any board meetings will be provided to the Nominee. The foregoing information shall not include any matter that may affect or involve the Nominee, including without limitation any matter related to this Debenture or the other Loan Documents, and whether in a Nominee's capacity as such or otherwise.
- (e) **Maintenance of Insurance.** Maintain or cause to be maintained with reputable insurers coverage against risk of loss or damage to its Property (including public liability and damage to property of third parties) and provide to the Nominee, as requested (acting reasonably), evidence of such coverage. The Borrower shall, prior to the expiry or replacement of any insurance policy, notify the Nominee of the replacement and at the Nominee's request send copies of all replacement policies to the Nominee. Without limiting the generality of the foregoing, the Borrower will maintain product liability insurance covering at least \$5,000,000 per claim and \$5,000,000 in the aggregate. Without limiting the generality of the foregoing, the Borrower shall maintain in effect all insurance coverage reasonable and prudent for a business similar to the business of the Borrower conducted in similar locations.

- (f) **Notice.** Promptly and, in any event within three (3) Business Days, notify the Nominee of any Default or Event of Default that would apply to the Borrower of which it becomes aware along with the action to be taken by Borrower to remedy any such Default or Event of Default.
- (g) **Notice of Material Adverse Effect.** Promptly notify the Nominee of any Material Adverse Effect of which it becomes aware.
- (h) **Notice of Litigation.** Promptly notify the Nominee on becoming aware of the occurrence of any litigation, dispute, arbitration, proceeding or other circumstance the result of which if determined adversely would or could reasonably be expected to result in (a) a judgment or award against it in excess of \$250,000 or (b) a Material Adverse Effect, and from time to time provide the Nominee with all reasonable information requested by it concerning the status of any such proceeding.
- (i) **Environmental Compliance.** Operate its business in compliance with Requirements of Laws relating to the environment (except where the failure to do so would not have a Material Adverse Effect) and operate all Property owned, leased or otherwise used by it such that no obligation, including a clean-up or remedial obligation, will arise under any Requirements of Laws relating to the environment; provided, however, that if any such claim is made or any such obligation arises, the Borrower shall promptly satisfy, address or contest such claim or obligation at its own cost and expense. It shall promptly notify the Nominee upon: (i) learning of the existence of any Materials of Environmental Concern located on, above or below the surface of any land which it owns, leases, operates, occupies or controls (except those being stored, used or otherwise handled in compliance with Requirements of Laws relating to the environment), or contained in the soil or water constituting such land; and (ii) the occurrence of any reportable release, spill, leak, emission, discharge, leaching, dumping or disposal of Materials of Environmental Concern that has occurred on or from such land, which, in either the case of (i) or (ii), is likely to result in liability under Requirements of Laws relating to the environment in excess of \$250,000.
- (j) **Maintenance of Property.** Keep all Property useful and necessary in its business in good working order and condition, normal wear and tear excepted, and maintain all Intellectual Property necessary to carry on its business.
- (k) **Employee Benefit and Pension Plans.** Maintain all employee benefit and Pension Plans relating to its business in compliance with all Applicable Laws except for immaterial non-compliance.
- (l) **Additional Information.** At the request of the Nominee from time to time, promptly provide the Nominee with copies of material reports, notices, prospectuses and registration statements which Borrower files with a securities commission or securities regulatory authority in any Province of Canada or any other securities commission.

- (m) **Material Contracts and Material Licences.** At the request of the Nominee from time to time, provide to the Nominee certified copies or a complete list of all Material Contracts and Material Licences and promptly notify the Nominee of the entering into, the termination of or any material amendment to any Material Contract or any Material License.
 - (n) **Regulatory Matters.** Ensure that all existing and future Products are licensed and/or registered, as applicable, in compliance with Applicable Laws.
 - (o) **Books and Records.** At all times keep accurate and complete books, records and accounts with respect to all of its business activities, in accordance with sound accounting practices and, where applicable, IFRS consistently applied.
 - (p) **Marketing Authorisations.** If reasonably requested by the Nominee, obtain, execute and deliver, Marketing Authorisation Assignments to the Nominee to be held in escrow by the Nominee upon the occurrence of an Event of Default and the enforcement of the Bloom Burton Security.
 - (q) **Assignment of Material Contracts.** Use its commercially reasonable efforts to obtain from the parties to any Material Contracts entered into on or after the date hereof an assignment clause stating that upon the occurrence of an Event of Default and the enforcement of the Bloom Burton Security such third party authorizes and agrees to the assignment of the said Material Contract to the Nominee.
 - (r) **Bank Accounts and Security Accounts.** If and when reasonably requested by the Nominee, the Borrower shall put and shall cause INTEGA to put in place security over respective bank accounts and security accounts in such form and substance deemed acceptable to the Nominee, acting reasonably.
 - (s) **Further Assurances.** Provide the Nominee with such other documents, consents, acknowledgements and agreements as are reasonably necessary to implement this Debenture and the other Loan Documents from time to time.
 - (t) **[REDACTED: COVENANT CONTAINING COMMERCIALY SENSITIVE INFORMATION.]**
- 14. Negative Covenants.** Except with the prior written consent of the Nominee (acting in its sole and absolute discretion), so long as any amount owing under any of the Loan Documents remains unpaid or the Nominee or any Lender has any obligation under any of the Loan Documents, the Borrower shall not:
- (a) **No Consolidation, Amalgamation, etc.** Consolidate, amalgamate or merge with any other Person, export a corporation into a jurisdiction outside of Canada or the United States, enter into any corporate reorganization or other transaction intended to effect or otherwise permit a change in its existing corporate or capital structure, liquidate, wind-up or dissolve itself, or permit any liquidation, winding-up or dissolution unless prior written approval has been received by the Nominee

and such documentation as is required by counsel to the Nominee is delivered concurrently with such transaction.

- (b) **No Change of Name.** Change its name or change its jurisdiction of incorporation or formation in each case without providing the Nominee with fifteen (15) days' prior written notice thereof.
- (c) **Amendments to Organizational Documents.** Amend any of its constating documents in a manner that would be materially prejudicial to the interests of the Nominee or the Lender under the Loan Documents.
- (d) **Amendments to other Documents.** Amend, vary or alter any Material Contract or Material Licence in a manner that would reasonably be expected to have a Material Adverse Effect.
- (e) **Restricted Distributions.** Make any Restricted Distributions.
- (f) **Encumbrances.** Tolerate, accept or agree to have imposed any Encumbrances ranking prior to the Bloom Burton Security other than Permitted Encumbrances.
- (g) **Transfer of Assets.** Unless otherwise agreed to with the Nominee, until the Borrower has complied with the relevant provisions of Section 6, transfer any material asset (or group of related assets) to any Subsidiary in excess of \$100,000.

15. Representations and Warranties. The Borrower hereby represents to the Nominee that as at the date hereof:

- (i) **Existence and Qualification.** Each of the Borrower and its material Subsidiaries (i) has been duly incorporated and is validly subsisting and in good standing under the laws of its respective jurisdiction of incorporation, (ii) is duly qualified to carry on its business in each jurisdiction in which it carries on business or will carry on business, and (iii) has all required Material Licences in order to conduct its respective business.
- (ii) **Power and Authority.** The Borrower has the corporate power, capacity and authority, as the case may be, (i) to enter into, and to exercise its rights and perform its obligations under, the Loan Documents to which it is a party and all other instruments and agreements delivered by it pursuant to any of the Loan Documents, and (ii) to own its Property and carry on its business as currently conducted.
- (iii) **Execution, Delivery, Performance and Enforceability of Documents.** The execution, delivery and performance of each of the Loan Documents to which Borrower is a party has been duly authorized by all corporate actions required, and each of such documents has been duly executed and delivered by it. Each Loan Document to which Borrower is a party constitutes the legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its respective terms

(except, in any case, as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity).

- (iv) **Compliance with Applicable Laws, Organizational Documents and Contractual Obligations.** None of the execution or delivery of, the consummation of the transactions contemplated in, or the compliance with the terms, conditions and provisions of any of, the Loan Documents by Borrower conflicts with or will conflict with, or results or will result in any breach of, or constitutes a default under or contravention of, any Requirement of Law in any material respect, Borrower's constating documents or any Material Contract or Material Licence.
- (v) **Consent Respecting Loan Documents.** The Borrower has obtained, made or taken all consents, approvals, authorizations, declarations, registrations, filings, notices and other actions whatsoever required to enable it to execute and deliver each of the Loan Documents to which it is a party and to consummate the transactions contemplated in the Loan Documents except where the failure to do so is immaterial.
- (vi) **Financial Information.** The Financial Statements or other financial information which have been furnished to the Nominee in connection with this Debenture are complete in all material respects and such Financial Statements or other financial information give a true and fair view (in the case of audited Financial Statements) or fairly represent (in all other cases) the results of operations and financial position of the Borrower as of the date referred to therein and have been prepared in accordance with IFRS. All other financial information provided to the Nominee is complete in all material respects and based on reasonable assumptions and expectations.
- (vii) **Taxes.** Each of the Borrower and its material Subsidiaries has duly and timely filed all tax returns required to be filed by it and has paid or made adequate provision for the payment of all material taxes levied on its Property or income which are showing therein as due and payable, including interest and penalties, or has accrued such amounts in its financial statements for the payment of such taxes except for taxes which are not material in amount or which are not delinquent or if delinquent are being contested, and there is no material action (except, after the date of this Debenture, as is disclosed to the Nominee in writing), suit, proceeding, investigation, audit or claim now pending, or to its knowledge, threatened by any Governmental Authority regarding any taxes nor has it agreed to waive or extend any statute of limitations with respect to the payment or collection of taxes.
- (viii) **Full Disclosure.** All information set out in the Borrower's Public Information Record is true and correct in all material respects, does not omit any material fact necessary to make the statements contained therein not misleading in any material way, and all expressions of expectation,

intention, belief and opinion contained therein were honestly made on reasonable grounds.

- (ix) **Insolvency.** None of the Borrower nor any of its material Subsidiaries (i) has committed any act of bankruptcy, (ii) has proposed, or given notice of its intention to propose, a compromise or arrangement to its creditors generally, or (iii) has any petition for a receiving order in bankruptcy filed against it, made a voluntary assignment in bankruptcy, taken any proceeding with respect to any compromise or arrangement, taken any proceeding to have itself declared bankrupt or wound-up, taken any proceeding to have a receiver appointed of any part of its Property.
- (x) **Owned Real Property.** The Borrower does not own any real (immovable) property.
- (xi) **Leased Real Property.** Except as disclosed in the Public Information Record, the Borrower is not a party to any real (immovable) property lease.

16. Events of Default. The occurrence of any of the following events that is continuing shall constitute an “Event of Default” under this Debenture:

- (a) the failure of the Borrower to pay any principal, interest or other Obligations when due, which failure continues unremedied for three (3) Business Days of receipt of written notice; or
- (b) the failure of Borrower or INTEGA to perform, keep or observe any of the other covenants, conditions, promises, agreements or obligations under this Debenture (other than as described in Section 16(a)) or in any of the Loan Documents, in each case which failure is not cured within thirty (30) days of receipt of written notice from the Nominee of such failure; or
- (c) the making or furnishing by Borrower or INTEGA or any director or officer thereof to the Nominee of any representation, warranty, certificate, schedule, report or other communication of a material nature within or in connection with this Debenture or the Loan Documents, which is untrue or misleading in any material respect when made; provided that, no Event of Default under this Section 16(c) will occur if such representation, warranty or other communication is capable of being corrected within thirty (30) days of being made and is diligently corrected within such thirty (30) day period; or
- (d) if Borrower or INTEGA ceases or threatens to cease to carry on business generally or admits its inability or fails to pay its debts as they become due; or
- (e) if (i) the Borrower or INTEGA fails to make any payment when such payment is due and payable to any Person in relation to any indebtedness for borrowed money or other indebtedness or liabilities arising in respect of any other Debt which in the aggregate principal amount then outstanding is in excess of \$250,000

and such payment is not made within any applicable cure or grace period, subject to the Borrower contesting the exigibility of such payment in good faith; or (ii) the Borrower defaults in the observance or performance of any other agreement or condition in relation to any such indebtedness to any Person which in the aggregate principal amount then outstanding is in excess of \$250,000 or contained in any instrument or agreement evidencing, securing or relating thereto and such default is not waived or cured within any applicable cure or grace period; or

- (f) if Borrower or INTEGA denies its obligations under any Loan Document or claims any of the Loan Documents to be invalid or withdrawn in whole or in part; or
- (g) if a decree or order of a court of competent jurisdiction is entered adjudging the Borrower or any of its material Subsidiaries a bankrupt or insolvent or approving a petition seeking the winding-up of Borrower under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against any substantial part of the Property of Borrower ordering the winding up or liquidation of its affairs; or
- (h) if Borrower or any of its material Subsidiaries becomes insolvent, makes any assignment in bankruptcy or makes any other similar assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition; or
- (i) if any proceeding or filing shall be instituted or made against Borrower or any of its material Subsidiaries seeking to have an order for relief entered against Borrower as debtor or to adjudicate it bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition under any law relating to bankruptcy, insolvency, reorganization or relief or debtors (including, without limitation, the *Bankruptcy and Insolvency Act* (Canada)) or seeking appointment of a receiver, trustee, custodian or other similar official for Borrower or any of its material Subsidiaries or for any substantial part of their properties or assets unless the same is being contested actively and diligently in good faith by appropriate and timely proceedings and is dismissed, vacated or permanently stayed within forty-five (45) days of institution; or
- (j) if a Person takes possession by appointment of a receiver, receiver and manager, or otherwise of any material portion of the Property of Borrower or any of its material Subsidiaries; or

- (k) if a final judgment, execution, writ of seizure and sale, sequestration or decree for the payment of money due shall have been obtained or entered against the Borrower in an amount in excess of \$250,000 and such judgment, execution, writ of seizure and sale, sequestration or decree shall not have been and remain vacated, satisfied, discharged or stayed pending appeal within the applicable appeal period; or
 - (l) if an event of default occurs under any Material Contract or Material Licence and which is committed by Borrower (other than an event of default specifically dealt with in this Section) and such event of default has or would reasonably be expected to have a Material Adverse Effect and is not remedied within fifteen (15) days after the Borrower becomes aware of such event of default; or
 - (m) the institution of any steps by Borrower or any applicable regulatory authority to terminate a Pension Plan (wholly or in part) if, as a result of such termination, Borrower may be required to make an additional contribution to such Pension Plan, or to incur an additional liability or obligation to such Pension Plan, equal to or in excess of \$250,000 or the equivalent thereof in another currency; or
 - (n) all or any material part of the Property of Borrower or any of its material Subsidiaries shall be nationalized, expropriated or condemned, seized or otherwise appropriated, or custody or control of such Property of Borrower shall be assumed by any Governmental Authority or any court of competent jurisdiction at the instance of any Governmental Authority, in each case which has or would reasonably be expected to have a Material Adverse Effect except where contested in good faith by proper proceedings diligently pursued where a stay of enforcement is in effect; or
 - (o) if any order is made by any Governmental Authority in relation to the Borrower, or there is any change of law, or the interpretation or administration therefore, in each case, which in the reasonable opinion of the Nominee, operates to prevent or restrict the trading of the common shares of the Borrower; or
 - (p) a Change of Control; or
 - (q) any obligation or provision of this Debenture or any other Loan Document ceases to be legally valid, binding and enforceable.
- 17. Acceleration.** Subject to the terms of the Postponement and Subordination Agreement, upon the occurrence of an Event of Default, the Nominee may, in its sole and absolute discretion, (i) immediately cancel any of its obligations or commitments under the Loan Documents, (ii) require the Borrower to immediately repay any and all amounts owing by the Borrower to the Nominee under the Loan Documents, including all accrued interest, all other fees, charges, costs and other amounts payable under the Loan Documents (whereupon all such amounts shall immediately be due and payable), and/or (iii) waive for a period of time, determined in its sole and absolute discretion, the Event of Default.

18. Remedies.

- (a) Subject to the terms of the Postponement and Subordination Agreement, upon the occurrence of an Event of Default, the Nominee may commence such legal action or proceedings and exercise all its rights and remedies available to it under Applicable Law, including, the commencement of enforcement proceedings all without any additional notice, presentation, demand, protest, notice of dishonour, entering into of possession of any property or assets, or any other action or notice, all of which are hereby expressly waived by the Borrower.
- (b) The rights and remedies of the Nominee under the Loan Documents are cumulative and are in addition to, and not in substitution for, any other rights or remedies. No act or omission of the Nominee with respect to the Borrower or the Loan Documents shall in any way prejudice or affect the rights, remedies and powers of the Nominee under the Loan Documents or Applicable Law.

19. Notice. Any notice, designation, direction or other communication required or permitted to be given under this Debenture will be in writing and will be given by prepaid first-class mail, by facsimile or other means of electronic communication or by hand-delivery. Any notice or other communication, if mailed by prepaid first-class mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, will be deemed to have been received on the fourth Business Day after its post-marked date, or if sent by facsimile or other means of electronic communication, will be deemed to have been received on the Business Day following the sending, or if delivered by hand will be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at that address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address will also be governed by this Section 19. In the event of a general discontinuance of postal service due to strike, lockout or otherwise, notices and other communications will be delivered by hand or sent by facsimile or other means of electronic communication and will be deemed to have been received in accordance with this Section 19. Notices and other communications will be addressed as follows:

- (a) if to the Borrower, as follows:

CRESCITA THERAPEUTICS INC.
7560 Airport Road, Unit 10
Mississauga, Ontario
L4T4H4

Attention: Daniel Chicoine, Executive Chairman & Interim Chief Executive Officer

[REDACTED: PERSONAL INFORMATION]

with a copy (which shall not constitute notice) to:

GOODMANS LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Attention: Robert Vaux

[REDACTED: PERSONAL INFORMATION]

(b) if to the Nominee:

BLOOM BURTON HEALTHCARE LENDING TRUST II
c/o Stratigis Capital Advisors Inc.
200 Bay Street, Suite 2925
Toronto, Ontario

Attention: Dan Papulkas

[REDACTED: PERSONAL INFORMATION]

20. Interpretation. As used in this Debenture, the following terms have the following meanings:

- (a) “**Affiliate**” means: (i) any Person which, directly or indirectly, controls, is controlled by or is under common control with any other Person; (ii) any Person which beneficially owns or holds, directly or indirectly, fifty percent (50%) or more of any class of voting shares or Equity Interest (including partnership interests) of any other Person; or (iii) any Person, fifty percent (50%) or more of any class of the voting shares (or if such Person is not a corporation, fifty percent (50%) or more of the Equity Interest, including partnership interests) of which is beneficially owned or held, directly or indirectly, by any other Person. For the purposes of this definition, control of any Person (including the terms “**controlled by**” and “**under common control with**”) means the possession, directly or indirectly, of the power to elect or appoint a majority of the board of directors of, or persons performing similar functions in respect of, such Person, whether through the ownership of voting securities, by contract, or otherwise.
- (b) **[REDACTED: DEFINED TERM.]**
- (c) “**Applicable Law**” means (i) any domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise); (ii) any judgment, order, writ, injunction, decision, ruling, decree or award; (iii) any regulatory policy, practice, guideline or directive; or (iv) any franchise, licence, qualification, authorization, consent, exemption, waiver, right, permit or other approval of any Governmental Authority, binding on or affecting the Person referred to in the context in which

the term is used or binding on or affecting the property of such Person, in each case whether or not having the force of law.

- (d) **“Applicable Securities Legislation”** means, at any time, all securities laws and the respective rules and regulations under such laws together with applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings and other applicable regulatory instruments of the securities regulatory authorities applicable to the Borrower or to which it is subject.
- (e) **“Bloom Burton Security”** has the meaning ascribed to such term in Section 4 hereof.
- (f) **“Business Day”** means a day (other than Saturday or Sunday) on which banks are generally open for business in Montreal, Québec or Toronto, Ontario.
- (g) **“Capital Lease”** means, with respect to any Person, any lease of (or other agreement conveying the right to use) any real (immovable) or personal (movable) property by such Person that, in conformity with IFRS, is or should be accounted for as a capital lease on the balance sheet of that Person.
- (h) **“Change of Control”** means (a) a transaction that would result in the acquisition or purchase by any Person (other than the Nominee, any Lender or any Person that is acting jointly or in concert with the Nominee or any Lender) of (i) assets of the Borrower and its Subsidiaries, the fair market value of which assets, in the aggregate, constitute 50% or more of the fair market value of the consolidated assets of the Borrower, (ii) voting or equity securities of the Borrower where those securities, together with the offeror’s securities, constitute, in the aggregate, 50% or more of the outstanding voting or equity securities of the Borrower, or (iii) 50% or more of the voting or equity securities of one or more of the Borrower’s Subsidiaries, the fair market value of whose assets, in the aggregate, constitute 50% or more of the fair market value of the consolidated assets of the Borrower; (b) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other transaction involving the Borrower or any of its Subsidiaries and an arm’s length third party that, if consummated, would result in any Person (other than the Nominee, any Lender or any Person that is acting jointly or in concert with the Nominee or any Lender) beneficially owning 50% or more of the voting or equity securities of the Borrower or the surviving entity immediately following such transaction.
- (i) **“Collateral”** means all of the undertaking and Property, present and future, real, immovable, personal and movable, of Borrower or its Affiliates, now or hereafter pledged, hypothecated, granted or assigned to the Nominee to secure, either directly or indirectly, repayment on account of payment of any of the Obligations.
- (j) **“Contingent Obligation”** means, as to any Person, any obligation, whether secured or unsecured, of such Person guaranteeing or indemnifying, or in effect

guaranteeing or indemnifying, any indebtedness, leases, dividends, letters of credit or other monetary obligations (the “**primary obligations**”) of any other Person (the “**primary obligor**”) in any manner, whether directly or indirectly, including any obligation of such Person as an account party in respect of a letter of credit or letter of guarantee issued to assure payment by the primary obligor of any such primary obligation and any obligations of such Person, whether or not contingent, (i) to purchase any such primary obligation or any Property constituting direct or indirect security therefor, (ii) to advance or supply funds for the purchase or payment of any such primary obligation or to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase Property, Equity Interests or services primarily for the purpose of assuring the obligee under any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, or (iv) otherwise to assure or hold harmless the obligee under such primary obligation against loss in respect of such primary obligation; provided, however, that the term “**Contingent Obligation**” shall not include endorsements of instruments for deposit or collection in the ordinary course of business.

- (k) “**Default**” means any Event of Default or any event which, with the giving of notice or passage of time, or the making of any determination or any combination of the foregoing, would constitute an Event of Default.
- (l) “**Equity Interests**” means (i) in the case of any corporation or company, all shares or capital stock and any securities exchangeable for or convertible into shares or capital stock, (ii) in the case of an association or business entity, any and all shares, interests, participation rights or other equivalents of corporate stock (however designated) in or to such association or entity, (iii) in the case of a partnership, limited liability company or unlimited liability company, partnership or membership interests (whether general or limited), as applicable, and (iv) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of assets of, the issuing Person, and including, in all of the foregoing cases described in clauses (i), (ii), (iii) or (iv), any warrants, rights or other options to purchase or otherwise acquire any of the interests described in any of the foregoing cases.
- (m) “**Encumbrance**” means: (i) any interest in Property securing an obligation owed to, or a claim by, a Person, whether such interest is based on the common law, civil law, statute, or contract, and including, without limitation, a security interest, charge, claim, hypothec or lien arising from a mortgage, deed of trust, hypothec, encumbrance, pledge, hypothecation, assignment, deposit arrangement, agreement, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes; and (ii) to the extent not included under clause (i), (A) any rights of repossession or similar rights of unpaid suppliers, (B) any reservation, exception, encroachment, easement, right-of-way, covenant, condition, restriction, lease or other title exception or encumbrance affecting Property, and (C) any other lien, hypothec, charge, privilege, secured claim, title retention, garnishment right, deemed trust, encumbrance or other right

affecting Property, choate or inchoate, whether or not crystallized or fixed, whether or not for amounts due or accruing due, arising by any statute or law of any jurisdiction, at law, in equity or by any agreement.

- (n) “**Event of Default**” has the meaning ascribed to such term in Section 16 hereof.
- (o) “**Exchange**” means the Toronto Stock Exchange, or any other stock exchange on which the Common Shares are then listed and posted for trading.
- (p) “**Financial Statements**” means the consolidated financial statements of the Borrower for each of the quarters ended September 30, 2016, March 31, 2017 and June 30 2017 and for the year ended December 31, 2016.
- (q) “**Governmental Authority**” means the government of Canada or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.
- (r) “**IFRS**” means, at any time, the International Financial Reporting Standards, promulgated by the International Accounting Standards Board, as amended, supplemented or replaced from time to time.
- (s) “**Indebtedness**” means, with respect to any Person, without duplication, the aggregate of the following amounts, at the date of determination: (i) all indebtedness of such Person for borrowed money; (ii) all obligations of such Person for the deferred purchase price of Property or services which constitute indebtedness; (iii) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments; (iv) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to Property acquired by such Person (whether or not the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such Property); (v) all obligations of such Person as lessee under leases that have been or should be, in accordance with IFRS, recorded as finance leases; (vi) all reimbursement obligations, contingent or otherwise, of such Person under acceptance, letter of credit and similar facilities; (vii) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any partnership or shareholder or other equity interests of such Person (for greater certainty, not including obligations with respect to unexercised warrants, options and rights of first refusal and where conditions precedent to the purchase, redemption, retirement, defeasance or other acquisition of such obligations have not occurred); (viii) all Contingent Obligations of such Person in respect of Indebtedness of another Person; (ix) accounts payable; and (x) any other obligation arising under arrangements or agreements that, in substance, provide financing to such Person.
- (t) “**INTEGA**” means INTEGA Skin Sciences Inc.

- (u) **“Intellectual Property”** means the intellectual property in patents, patent applications, trade-marks, trade-mark applications, trade names, service marks, copyrights, copyright registrations and trade secrets including, without limitation, customer lists and information and business opportunities, industrial designs, proprietary software, technology, recipes and formulae and other similar intellectual property rights.
- (v) **“Knight”** means Knight Therapeutics Inc.
- (w) **“Knight Indebtedness”** means Indebtedness owing to Knight pursuant to the Knight Loan Agreement.
- (x) **“Knight Loan Agreement”** means the amended and restated loan agreement dated August 14, 2017 between the Borrower and Knight, pursuant to which Knight has made available a term loan in an initial principal amount of approximately \$4.6 million.
- (y) **“Knight Security”** means, collectively, the security interest granted by each of the Borrower and INTEGA in favour of Knight in connection with the Knight Loan Agreement.
- (z) **“Loan Documents”** means this Debenture and the Security Agreements and all other documents to be executed and delivered to the Nominee and the Lender by the Borrower in connection therewith.
- (aa) **“Marketing Authorisations”** means the marketing authorisations or product licenses issued by a Governmental Authority (however denoted, including registrations, approvals, or otherwise, and, including authorisations relating to Abbreviated New Drug Applications (ANDA) or New Drug Applications) in the United States or a Drug Identification Number (DIN) in Canada or any similar or equivalent authorisations issued by the European Community and other countries.
- (bb) **“Marketing Authorisation Assignments”** means one or more of the assignments of the Marketing Authorisations delivered by the Borrower or any of its Subsidiaries to be held as additional security by the Nominee for the fulfillment by the Borrower of its Obligations hereunder.
- (cc) **“Material Adverse Effect”** shall mean (i) a material adverse effect on the business, properties, assets, or financial condition of the Borrower on a consolidated basis, (ii) an adverse effect on the legality, validity or enforceability of any of the Loan Documents which could reasonably be considered material having regard to the Loan Documents considered as a whole, (iii) a material adverse effect on the ability of Borrower to pay any of its debts or liabilities under any of the Loan Documents, which could reasonably be considered material having regard to Borrower as a whole, or (iv) an adverse effect on the right, entitlement or ability of the Nominee or the Lender to enforce their rights or remedies under any of the Loan Documents which could reasonably be considered material having regard to the Loan Documents taken as a whole.

- (dd) **“Material Contracts”** means, collectively, each written agreement (or multiple agreements with the same Person), arrangement or understanding entered into by the Borrower which, if not complied with, or expires, or is terminated, could reasonably be expected to have a Material Adverse Effect and, for greater certainty, includes the Taro Agreement and any other agreement for which the monetary value is in excess of \$500,000.
- (ee) **“Material Licences”** means, collectively, each licence, permit or approval issued by any Governmental Authority or any applicable stock exchange or securities commission to the Borrower, the breach or default of which, or termination of, could reasonably be expected to result in a Material Adverse Effect.
- (ff) **“Materials of Environmental Concern”** means any chemicals, pollutants, contaminants, wastes, toxic substances, petroleum, petroleum products, together with any hazardous, toxic or dangerous substances, materials and wastes, including, without limitation, hydrocarbons (including naturally occurring or man-made petroleum and hydrocarbons), flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, biological substances, polychlorinated biphenyls, pesticides, herbicides and any other kind and/or type of pollutants or contaminants (including, without limitation, materials which include hazardous constituents), sewage, sludge, industrial slag, solvents and/or any other similar substances, materials or wastes and including any other substances, materials or wastes that are or become regulated under any laws relating to the protection of the environment or maintenance of occupational safety (including, without limitation, any that are or become classified as hazardous or toxic under any such laws).
- (gg) **“Obligations”** means all present and future obligations and indebtedness, of any and every kind and nature, of Borrower to the Nominee and the Lender arising under this Debenture and the other Loan Documents, whether now or hereafter existing, whether now due or to become due, whether primary, secondary, direct, indirect, absolute, contingent or otherwise (including without limitation, obligations of performance), whether several or joint or joint and several.
- (hh) **“Pension Plan”** means (i) a “pension plan” or “plan” which is subject to the funding requirements of applicable pension benefit legislation in any jurisdiction as is applicable to the employees of Borrower; or (ii) any pension benefit plan or similar agreement applicable to employees of Borrower, other than a plan sponsored by a Governmental Authority).
- (ii) **“Permitted Encumbrances”** means, with respect to any Person, the following:
 - (i) any Encumbrance arising in connection with purchase money security interests or Capital Leases up to a maximum amount for all Capital Leases of no more than \$500,000;
 - (ii) any Encumbrance arising solely by virtue of statutory or common law provision relating to bankers’ liens, rights of combination or accounts or

similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts or other funds maintained with a creditor depository institution;

- (iii) Encumbrances arising from the right of distress enjoyed by landlords or Encumbrances otherwise granted to landlords (including, without limitation, Encumbrances over rent deposits), in either case, to secure the payment of arrears of rent in respect of leased properties;
- (iv) servicing agreements, development agreements, site plan agreements and other agreements with Governmental Authorities pertaining to the use or development of any of the assets of the Person, provided same are complied with in all material respects and do not materially impair the use of such assets in the operation of the business of such Person;
- (v) Encumbrances granted to a provider of surety bonds which are not perfected (so that no required filing or registration has been made), or if such Encumbrances are perfected against the Borrower or INTEGA, such Encumbrances shall be subordinated and postponed in favour of the Nominee pursuant to a subordination and postponement agreement in form and substance satisfactory to the Nominee, acting reasonably;
- (vi) any Encumbrance arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by the Borrower;
- (vii) any Encumbrance arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to the Borrower in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by the Borrower;
- (viii) Encumbrances for taxes not yet due or for which installments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person for which reasonable reserves under IFRS are maintained;
- (ix) undetermined or inchoate Encumbrances, rights of distress and charges incidental to current operations which have not at such time been filed or exercised and of which the Nominee has been given notice, or which relate to obligations not due or payable, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person;
- (x) reservations, limitations, provisos and conditions expressed in any original grants from the Crown or other grants of real or immovable property, or interests therein;

- (xi) zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, state, municipal and other Governmental Authorities, licences, easements, servitudes, rights-of-way and rights in the nature of easements (including, without limiting the generality of the foregoing, licences, easements, servitudes, rights-of-way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) which do not materially impair the use of the affected land for the purpose for which it is used by that Person;
- (xii) title defects, encroachments or irregularities or other matters relating to title which are of a minor nature and which in the aggregate do not materially impair the use of the affected property for the purpose for which it is used by that Person;
- (xiii) the right reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, licence, contract, franchise, grant or permit acquired by that Person or by any statutory provision to terminate any such lease, licence, contract, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;
- (xiv) the Encumbrance resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workers compensation, employment insurance, surety, appeal bonds or costs of litigation when required by law not to exceed \$25,000 in aggregate outstanding at any time, liens and claims incidental to current construction, mechanics', warehousemen's, carriers' and other similar liens, and public, statutory and other like obligations incurred in the ordinary course of business;
- (xv) security given to a public utility or any municipality or Governmental Authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of its business provided that such security does not materially impair the use of the affected property for the purpose for which it is used by that Person;
- (xvi) the Encumbrance created by a judgment of a court of competent jurisdiction, as long as the judgment is being contested diligently and in good faith by appropriate proceedings by that Person and does not result in an Event of Default;
- (xvii) the Bloom Burton Security;
- (xviii) the security interest granted by each of the Borrower and INTEGA in favour of Bloom Burton Healthcare Lending Trust in connection with the

convertible debenture issued by the Borrower to the Bloom Burton Healthcare Lending Trust and dated the date hereof.

- (xix) the Knight Security;
 - (xx) the Valeant Lien;
 - (xxi) such other Encumbrances as agreed to in writing by the Nominee in accordance with this Agreement; and
 - (xxii) the extension, renewal or refinancing of any Encumbrances permitted pursuant to the foregoing paragraphs, provided that the amount secured thereby does not exceed the amount secured immediately prior to such extension, renewal or refinancing.
-
- (jj) “**Person**” means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, entity, party or foreign or local government (whether federal, provincial, state, county, city, municipal or otherwise), including, without limitation, any instrumentality, division, agency, body or department thereof.
 - (kk) “**Postponement and Subordination Agreement**” means the postponement and subordination agreement dated the date hereof by the Nominee in favour of Knight.
 - (ll) “**Public Information Record**” means the record of publicly filed information by the Borrower on SEDAR including, without limitation, the Borrower’s Annual Information Form, its Annual Report, its Financial Statements and related MD&A, its Management Information Circular and all press releases and material change reports, including, for greater certainty, the Borrower’s Financial Statements and related MD&A for the quarter ended June 30, 2017.
 - (mm) “**Product**” means each current and future product, process or service under development, developed, manufactured, licensed, distributed, marketed or sold by Borrower and any other current or future products or services in which Borrower has any proprietary rights or beneficial interests.
 - (nn) “**Property**” means, with respect to any Person, all or any portion of its undertaking, property or asset, whether real, immovable, personal, movable, or mixed, tangible or intangible, including for greater certainty any Equity Interests of a corporation or ownership interest in any other Person.
 - (oo) “**Related Party**” means, with respect to any Person, (i) such Person’s Affiliates and the directors, officers and employees of such Person and such Person’s Affiliates, and (ii) any other Person which alone or in combination with others beneficially owns, and/or exercises control or direction over, directly or indirectly, voting securities of such Person carrying more than 10% of the voting rights attaching to all voting securities for the time being outstanding.

- (pp) **“Related Party Indebtedness”** means the Indebtedness of the Borrower to a Related Party.
- (qq) **“Requirements of Law”** means, as to any Person, the constating documents of such Person and any Applicable Law, or determination of a Governmental Authority, in each case, applicable to or binding upon such Person or any of its business or Property or to which such Person or any of its business or Property is subject.
- (rr) **“Restricted Distribution”** means, with respect to any Person, any payment, directly or indirectly, by such Person of any dividends, returns of capital or repurchase or redemption of shares, other than dividends payable in shares.
- (ss) **“Security Agreements”** means, collectively, the general security agreement granted by the Borrower in favour of the Nominee dated the date hereof, and all other agreements and other instruments delivered to the Nominee by the Borrower (whether now existing or presently arising) for the purpose of establishing, perfecting, preserving or protecting any security held by the Nominee in respect of any Indebtedness owing by the Borrower to the Nominee and the Lender pursuant to or in connection with this Debenture.
- (tt) **“Subsidiary”** means, with respect to a Person, any corporation of which more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time stock of any other class of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by the Person or by any partnership or other corporate entity of which more than fifty percent (50%) of the outstanding equity interests are at the time, directly or indirectly, owned by the Person.
- (uu) **“Taro Agreement”** means the development and commercialization license agreement between the Borrower and Taro Pharmaceuticals Inc., as amended, restated or supplemented from time to time.
- (vv) **“Valeant Lien”** means the hypothec 16-0052181-0001 as registered in favour of Valeant Pharmaceuticals International, Inc. against the assets of INTEGA at the Register of Personal and Movable Real Rights (Quebec).

21. General.

- (a) The Borrower hereby waives the benefits of division and discussion, demand and presentment for payment, notice of non-payment, notice of protest and any other notice required to be given to the Borrower under this Debenture or under Applicable Law.
- (b) Borrower agrees to pay all commercially reasonable costs and expenses (including legal fees) related to the preparation of the Loan Documents, and any

related amendment, waiver or consent, including, but not limited to the expenses incurred by the Nominee to put in place and confirm the priority of any security interest in the Loan Documents up to a cumulative maximum of \$25,000 plus applicable taxes and disbursements. The Borrower shall indemnify the Nominee for any amounts required to compensate the Nominee for any cost, expense, claim or loss suffered by, imposed on, or asserted against, the Nominee as a result of, connected with or arising out of (i) the enforcement of any of the Loan Documents, (ii) a default (whether or not constituting a Default or an Event of Default) by the Borrower, and (iii) any proceedings brought by or against the Nominee due to the Nominee's entering into or being a party to any of the Loan Documents.

- (c) Schedule A attached to this Debenture shall, for all purposes of this Debenture, form an integral part of it.
- (d) All amounts under this Debenture are expressed in Canadian dollars.
- (e) This Debenture and all rights hereunder are transferable by the Nominee to any one or more successors to the operations of the Nominee, provided in each case that the majority of the assignees, calculated by dollar value of securities transferred, are and agree to continue to be residents of Canada or Canadian partnerships for the purposes of the Income Tax Act (Canada) and subject to the restrictions contained in Applicable Securities Legislation. The Nominee acknowledges that any such transfer is subject to the transferees agreeing to become subject to the terms and conditions of this Debenture and the Nominee shall designate a single representative to represent the transferees for the purposes of this Debenture. Such representative shall be entitled to the rights and privileges and subject to the obligations of the transferees pursuant to this Debenture and shall exercise any rights and privileges and perform any obligations of the transferees for and on behalf of the transferees. The Borrower shall be entitled to rely on the representative on behalf of the transferees. The Nominee acknowledges that it shall not transfer any of this Debenture or the shares issuable upon exercise of the rights hereunder except in accordance with the foregoing and that any such transfer shall not release the Nominee or the Lender from their obligations hereunder.
- (f) This Debenture may not be assigned or transferred by the Borrower without the prior written consent of the Nominee (which may be unreasonably withheld) and any such assignee shall consent in writing to be bound by the terms and conditions of this Debenture.
- (g) Each of the Borrower, the Nominee and the Lender agree, upon request of the other party, to execute and deliver, or cause to be executed and delivered, to the Borrower, the Nominee or the Lender, as applicable, such further instruments and do and cause to be done such further acts as may be necessary or proper in the opinion of the requesting party, acting reasonably, to carry out more effectively the provisions and purposes of the Loan Documents.

- (h) For reference purposes, this Debenture may be referred to as bearing the formal date of August 28, 2017, notwithstanding the actual date of its execution.
- (i) This Debenture shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall not be changed, modified, discharged or cancelled orally or in any manner other than by agreement in writing signed by the Borrower and the Nominee or their successors or permitted assigns.

[Signature page follows.]

IN WITNESS WHEREOF the undersigned has executed this Debenture as of the date first above written.

CRESCITA THERAPEUTICS INC.

Per: _____

Name: Katina K. Loucaides

Title: Authorized Signatory

SCHEDULE A

CONVERSION

1. **Conversion.** The Debenture may only be converted in accordance with Section 9 and Section 10 of the Debenture. Upon a conversion in accordance with such provisions taking effect, the Borrower shall pay all accrued and unpaid interest on the Principal Sum being converted in accordance with the terms of the Debenture up to but excluding the date of conversion. Upon the surrender of this Debenture for conversion in accordance with the Debenture, the Nominee will be entitled to receive that number of Common Shares equal to the quotient obtained when the aggregate of the Principal Sum being converted is divided by the Conversion Price. For the purposes of this Debenture, “**Conversion Price**” shall mean \$1.00 per Common Share, subject to adjustment. In the event that less than the full Principal Sum is converted, this Debenture shall be stamped cancelled and the Nominee shall be entitled to receive a replacement debenture representing the unconverted balance of the Principal Sum.
2. **No Requirement to Issue Fractional Shares.** The Borrower shall not be required to issue fractional Common Shares upon the conversion of this Debenture. If any fractional interest in a Common Share would, except for the provisions of Section 2 of this Schedule A, be deliverable upon the conversion of the Principal Sum of this Debenture, in whole or in part, the Borrower shall, in lieu of delivering any certificate of such fractional interest, round down to the nearest whole number.
3. **Share Certificates.** Upon compliance with the conversion conditions as aforesaid, the Borrower will cause to be issued to, or as directed by, the Nominee the fully paid and non-assessable Common Shares which the Nominee is entitled in accordance with the with Section 1 of this Schedule A. Unless otherwise directed by the Nominee, the Borrower will cause to be delivered to the Nominee at the address set out for the Nominee in Section 19 of the Debenture within five business days, a certificate or certificates evidencing the number of Common Shares issued in accordance with the with this Section 3 of this Schedule A.
4. **No Rights of Shareholder Until Conversion.** This Debenture does not confer any rights of a shareholder on the Nominee or Lender (including any right to receive dividends or other distribution to shareholders or to vote at any meeting of the shareholders of the Borrower).
5. **Adjustment Provisions.**
 - (a) **Consolidation, Subdivision or Reclassification.** If the Borrower consolidates its Common Shares into a lesser number of Common Shares, subdivides its Common Shares into a greater number of Common Shares or reclassifies its Common Shares into Other Securities (as defined below), then when the right to purchase is exercised, the Nominee shall receive such Common Shares or Other Securities in such number and description as if the Nominee had exercised the right to purchase hereunder before such event or the first of such events, if more than one,

and had held the securities the Nominee would have received (if the Nominee had previously converted the Debenture) until such event.

- (b) **Reorganization, Consolidation, Amalgamation, etc.** If the Borrower reorganizes, consolidates, amalgamates or merges with any other body corporate (a “**Reorganization**”), then when the right to convert is exercised, the Nominee shall receive such Common Shares, Other Securities and/or other property (including cash) in such number and description in the reorganized, consolidated, amalgamated or merged body corporate as if the Nominee had exercised the right to convert hereunder before such Reorganization and had held the securities the Nominee would have received (if the Nominee had previously converted the Debenture) until such event.
 - (c) **Stock Dividends, Distributions, etc.** If the Borrower pays any stock dividends or makes any other distribution of securities upon its Common Shares, then when the right to purchase is exercised, the Nominee shall receive such additional Common Shares or Other Securities, as the case may be, in such number and description payable pursuant to the stock dividend or other distribution as if the Nominee had exercised the right to purchase before the payment of such stock dividend or other distribution and had held the securities the Nominee would have received (if the Nominee had previously converted this Debenture) until such event.
 - (d) **Continuation of Terms.** Upon any Reorganization or distribution referred to in this Section 5 of this Schedule A, the Debenture will continue in full force and effect and the terms of the Debenture will be applicable to the Common Shares and Other Securities receivable upon the conversion of this Debenture after the consummation of such Reorganization or distribution, as the case may be, and will be binding upon the issuer of any such Common Shares or Other Securities.
 - (e) **Other Securities.** “**Other Securities**” refers to any shares in the capital (other than Common Shares) and other securities of the Borrower or any other person (corporate or otherwise), as the case may be, which the Nominee will be entitled to receive, or will have received, on the upon the conversion of this Debenture, in lieu of or in addition to Common Shares, or which at any time will be issuable or will have been issued in exchange for or in replacement of Common Shares or Other Securities pursuant to this Section 5 of this Schedule A or otherwise.
 - (f) **Cumulative Adjustments.** The adjustments provided for in this Debenture are cumulative.
- 6. Prior Notification of Certain Events.** If at any time there is any proposed event reasonably expected to give rise to an adjustment in accordance with Section 5 of this Schedule A (each an “**Adjustment Event**”), then the Borrower will give to the Nominee at least 5 days’ prior written notice in advance of the date on which such event will occur.

Such notice will also specify, in the case of any subscription rights, stock dividend or distribution, the date on which the holders of the Common Shares will be entitled thereto,

and, if applicable, specify the date on which the holders of the Common Shares will be entitled to exchange their Common Shares and/or other property deliverable upon such dissolution, liquidation or winding-up or Adjustment Event, as the case may be.

- 7. Certificate as to Adjustment.** Upon each adjustment or readjustment in the Common Shares issuable on the conversion of this Debenture, the Borrower at its expense will promptly compute such adjustment or readjustment in accordance with the terms of this Debenture and will prepare a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based, including (i) the number of Common Shares outstanding, and (ii) the Conversion Price and the number of Common Shares to be received upon conversion of this Debenture, in effect immediately prior to such adjustment or readjustment and after such adjustment or readjustment, as provided in this Debenture. The Borrower will mail a copy of each such certificate to the Nominee forthwith and in any event, prior to the effective date, as the case may be, of any event requiring adjustment in the rights attached to this Debenture.
- 8. Borrower to Reserve Shares.** The Borrower shall at all times reserve and keep available out of its authorized share capital (if the number thereof is or becomes limited) solely for the purpose of issue upon conversion of this Debenture as provided herein, and issue to the Nominee such number of securities as shall then be issuable upon the conversion of this Debenture. All securities which shall be so issuable shall be duly and validly issued as fully paid and non-assessable.
- 9. Applicable Securities Legislation.** The Borrower shall comply with all Applicable Securities Legislation regulating the issue and delivery of the number of Common Shares to be received upon conversion of this Debenture, shall obtain any regulatory approval in respect thereof as may be required pursuant to Applicable Securities Legislation and shall cause to be listed and posted for trading such Common Shares on the Exchange.
- 10. No U.S. Registration.** The Nominee hereby acknowledges that this Debenture and the securities issuable hereunder have not been and will not be registered under the *United States Securities Act of 1933*, as amended, or the securities laws of any state of the United States.