

**iCo Therapeutics Inc.**

**Notice of Annual General and Special Meeting**  
to be held on December 30, 2020

**and**

**Management Information Circular**

**November 30, 2020**

## TABLE OF CONTENTS

<b>NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS</b> .....	<b>1</b>
<b>MANAGEMENT INFORMATION CIRCULAR</b> .....	<b>3</b>
<b>VOTING AND PROXIES</b> .....	<b>3</b>
Persons Making the Solicitation.....	3
Appointment and Revocation of Proxies .....	3
Non-Registered Shareholders.....	4
Exercise of Discretion .....	5
Voting Securities and Principal Holders Thereof.....	5
<b>BUSINESS OF THE MEETING</b> .....	<b>6</b>
Interest of Certain Persons or Companies in Matters to Be Acted Upon.....	6
Receive the Financial Statements.....	6
Election of Directors .....	6
<i>Advanced Notice Policy</i> .....	6
Appointment of Auditor .....	9
Amendment and Restatement of the Stock Option Plan .....	9
Resolution Approving the Amended and Restated Option Plan .....	11
Additional Information.....	12
<b>STATEMENT OF EXECUTIVE COMPENSATION</b> .....	<b>12</b>
Compensation Philosophy and Objectives .....	12
Decision Making Process .....	13
Assessment of Risks Associated with the Company’s Compensation Policies and Practices.....	13
Financial Instruments .....	13
Compensation Framework .....	13
Employment Agreements, Termination and Change of Control Benefits .....	14
Summary of Executive Compensation .....	15
Compensation of Non-Management Directors.....	17
Securities Authorized For Issuance under Equity Compensation Plans .....	18
Stock Option Plan .....	18
<b>OTHER INFORMATION</b> .....	<b>21</b>
Indebtedness of Directors and Executive Officers.....	21
Interest of Informed Persons in Material Transactions .....	21
Corporate Governance.....	22
<b>AUDIT COMMITTEE INFORMATION</b> .....	<b>22</b>
Audit Committee Charter .....	22
Composition of Audit Committee .....	22
Relevant Education and Experience.....	22
Pre-Approval of Audit Services and Permitted Non-Audit Services .....	23
External Auditor Service Fees.....	23
Additional Information.....	23
Approval of Circular .....	23
<u>SCHEDULE “A” – AMENDED AND RESTATED STOCK OPTION PLAN</u>	
<u>SCHEDULE “B” – CORPORATE GOVERNANCE PRACTICES</u>	
<u>SCHEDULE “C” – AUDIT COMMITTEE CHARTER</u>	

**iCo THERAPEUTICS INC.**  
**(the “Company”)**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “Meeting”) of the shareholders of iCo Therapeutics Inc. (the “Company”) will be held at the offices of the Company, 6<sup>th</sup> – 777 Hornby Street, Vancouver, British Columbia at 10:00 a.m. (Vancouver time) on December 30, 2020 for the following purposes:

1. to receive the consolidated financial statements of the Company for the 12-month period ended December 31, 2019 and the report of the auditors thereon;
2. to elect the directors of the Company for the ensuing year;
3. to appoint PricewaterhouseCoopers LLP as auditors of the Company until the next annual meeting of the Company and to authorize the directors of the Company to fix their remuneration;
4. to consider and, if deemed advisable, pass an ordinary resolution to approve the Company’s amended and restated stock option plan as set out in Schedule “A” to the accompanying management information circular (the “Circular”), as more particularly described therein; and
5. to transact such other business as may properly be brought before the Meeting.

Further information regarding the above items is set out in the Circular accompanying this Notice of Annual General and Special Meeting of Shareholders. Only shareholders of record at the close of business on November 23, 2020 are entitled to notice of and to vote at the Meeting or any adjournment or postponement thereof.

Shareholders may vote their shares by completing, signing and returning the accompanying form of proxy to the transfer agent of the Company, Computershare Investor Services Inc., no less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or by completing, signing and delivering the accompanying form of proxy to the Chairman of the Meeting prior to its commencement.

Information with respect to voting by non-registered beneficial shareholders is included in the Circular. Non-registered beneficial shareholders should seek instructions on how to vote their shares from their broker, investment dealer, bank, trust company or other intermediary.

**Impact of COVID-19**

The Company is carefully monitoring the public health recommendations and orders related to the COVID-19 pandemic and our first priority is the health and safety of our communities, shareholders, employees and other stakeholders. To mitigate risk and to comply with all recommendations, orders, safety measures and protocols related to COVID-19, shareholders are strongly advised to refrain from attending the Meeting in person and are requested to read the enclosed Circular and proxy, and then complete and deposit the proxy together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof with the Company’s transfer agent by delivery to: Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1 by 10:00 a.m. (Pacific time), on Monday, December 28, 2020, or at least forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting or any adjournment of it unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently. Unregistered shareholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary. The Company will provide a dial-in number to the Meeting so that shareholders or proxyholders can listen to the live Meeting. Shareholders listening to the live Meeting will only be entitled to vote by proxy and will only be counted in quorum if they send their proxies to the Company, as described above. The dial-in number for the live Meeting is an accommodation for shareholders and proxyholders who wish to hear the live Meeting without attending in person because of COVID-19.

If any shareholder does wish to attend the Meeting in person, please contact Michael Liggett at [liggett@icotherapeutics.com](mailto:liggett@icotherapeutics.com) in order for iCo to determine whether arrangements can be made that comply with all recommendations, regulations and orders related to the COVID-19 pandemic in effect at the time of the Meeting. No shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person.

The Company may take additional precautionary measures in relation to the Meeting as necessary in response to further developments related to the COVID-19 pandemic and shall comply with all applicable health and safety recommendations, regulations and orders related thereto. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means.

Shareholders who wish to listen to the live Meeting may do so by joining at the dial-in below:

Dial-in Number:

+1 855 3184202

Access Code: 6314180

DATED at Vancouver, British Columbia this 30<sup>th</sup> day of November, 2020.

By Order of the Board of Directors

(signed) "*William Jarosz*"  
William Jarosz

Chief Executive Officer and Director

## MANAGEMENT INFORMATION CIRCULAR

**iCo THERAPEUTICS INC.  
6th – 777 Hornby Street  
Vancouver, British Columbia  
Canada V6Z 2T3**

This management information circular (the “Circular”) is furnished in connection with the annual general and special meeting of the Company to be held at the offices of the Company, 6<sup>th</sup> – 777 Hornby Street, Vancouver, British Columbia at 10:00 a.m. (Vancouver time) on December 30, 2020 (the “Meeting”) or at any adjournment or postponement thereof. Shareholders will be voting at the Meeting on the matters described in the accompanying notice of annual general and special meeting (the “Notice of Meeting”). Unless otherwise specified, the information contained in this Circular is current as of November 30, 2020.

### VOTING AND PROXIES

#### Persons Making the Solicitation

This Circular is furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally, by electronic communication or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation of proxies by management will be borne by the Company.

#### Appointment and Revocation of Proxies

A form of proxy is enclosed with this Circular. Shareholders who wish to be represented by proxy at the Meeting must deliver their respective forms of proxy (i) to Computershare Investor Services Inc. (the “Transfer Agent”) of 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment or postponement thereof or (ii) to the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof.

The persons named in the accompanying form of proxy are officers of the Company. **Each shareholder submitting a proxy has the right to appoint a person or company to represent the shareholder at the Meeting other than the persons designated in the accompanying form of proxy. A shareholder may exercise this right by striking out the names of the persons so designated and inserting the name of the desired representative in the blank space provided, or by completing another form of proxy, and in either case depositing the proxy with the Transfer Agent at the place and within the time specified above for the deposit of proxies.** The proxyholder does not need to be a shareholder of the Company. **Due to the COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, the Company requests that shareholders not attend the Meeting in person and instead are requested to read the enclosed Circular and proxy, and then complete and deposit the proxy together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof with the Transfer Agent.**

A shareholder who has given a proxy may revoke such proxy at any time prior to the exercise thereof at the Meeting or any adjournment or postponement thereof. A shareholder may revoke a proxy by:

- depositing an instrument in writing executed by the shareholder or its attorney authorized in writing with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof;
- depositing an instrument in writing executed by the shareholder or its attorney authorized in writing with the Transfer Agent at the place specified above for the deposit of proxies at any time up to and including the last business day preceding the Meeting or any adjournment or postponement thereof; or

- any other manner permitted by law.

### **Non-Registered Shareholders**

Only registered shareholders as of November 23, 2020 (the “Record Date”) or their duly appointed proxyholders are permitted to vote at the Meeting. However, a significant number of the Company’s shareholders are “non-registered” shareholders (“Non-Registered Shareholders”) because the shares they own are not registered in their names but, rather, are registered in the name of a clearing agency or the name of the brokerage firm, investment dealer, bank, trust company or other intermediary (the “Intermediary”) through which they deal with the shares they beneficially own.

There are two kinds of Non-Registered Shareholders – those who object to their name being made known to the issuers of securities which they own (called “OBOs” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called “NOBOs” for Non-Objecting Beneficial Owners).

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), the Company has elected to send copies of the proxy-related materials, including the Notice of Meeting, this Circular and the accompanying materials (collectively, the “Meeting Materials”) directly to the Canadian NOBOs and indirectly through Intermediaries for onward distribution to the OBOs and NOBOs in the United States. The Company will also pay the fees and costs of Intermediaries for their services in delivering the Meeting Materials to OBOs in accordance with NI 54-101. Intermediaries must forward the Meeting Materials to each OBO or Non-Registered Shareholders in the United States (unless such shareholder has waived the right to receive such materials), and often use a service company (such as Broadridge Investor Communication Solutions), to permit such shareholder to direct the voting of the shares held by the Intermediary on behalf of such shareholder.

The Meeting Materials are being sent to both registered shareholders and Non-Registered Shareholders. If you are a Non-Registered Shareholder and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. In most cases, the Intermediary will provide the Non-Registered Shareholder with a voting instruction form which must be completed and signed by the Non-Registered Shareholder in accordance with the directions thereon and then returned to the Intermediary in accordance with the instructions of the Intermediary. In some cases, an Intermediary will send Non-Registered Shareholders a proxy which has already been signed by the Intermediary which specifies the number of shares beneficially owned by the Non-Registered Shareholder but which otherwise is not completed. In this case, the Non-Registered Shareholder who wishes to submit a proxy should otherwise properly complete, date and return the form of proxy to the Company or Transfer Agent as provided under the heading “Appointment and Revocation of Proxies”. In all cases, Non-Registered Shareholders should carefully follow the instructions of their respective Intermediaries.

The purpose of these procedures described under the heading “Non-Registered Shareholders” is to permit Non-Registered Shareholders to direct the voting of any common shares they beneficially own. A Non-Registered Shareholder who wishes to attend and vote at the Meeting in person or appoint a person other than the persons designated in the accompanying form of proxy should contact his, her or its Intermediary well in advance of the Meeting and carefully follow the instructions of such Intermediary.

## **Exercise of Discretion**

The representatives designated in the accompanying form of proxy will vote or withhold from voting the shares in respect of which they are appointed proxyholders in accordance with the instructions of the shareholders on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of such instructions, the common shares will be voted by the management representatives FOR the matters described herein.**

The persons appointed under the enclosed form of proxy are conferred with discretionary authority with respect to amendments or variations of those matters specified in the proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment or postponement thereof. If any such matters should come before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote such proxy in accordance with their best judgment unless the shareholder has specified to the contrary that the common shares represented thereby are to be withheld from voting with respect to such matters. As of the date this Circular, management of the Company is not aware of any such amendment, variation, or other matter.

## **Voting Securities and Principal Holders Thereof**

As at November 30, 2020, the Company had 153,747,713 common shares outstanding. Each common share confers upon the holder thereof the right to one vote. A shareholder of record at the close of business on the Record Date is entitled to vote or to have his, her or its common shares voted at the Meeting, except to the extent such shareholder transfers the ownership of his, her or its common shares after the Record Date and the transferee of such common shares establishes his, her or its ownership of such common shares and makes a demand to the Company, not later than 10 days before the Meeting, that such transferee's name be included on the shareholders' list for use at the Meeting. On a vote by a show of hands, each person who is a shareholder or proxyholder will have one vote. On a poll, each shareholder present in person or represented by proxy will have one vote for each common share registered in his, her or its name.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, common shares carrying more than 10% of the voting rights attached to all of the issued and outstanding common shares.

## **Attendance at Meeting Discouraged in light of COVID-19 Pandemic**

The Company is carefully monitoring the public health recommendations and orders related to the COVID-19 pandemic and our first priority is the health and safety of our communities, shareholders, employees and other stakeholders. To mitigate risk and to comply with all recommendations, orders, safety measures and protocols related to COVID-19, shareholders are strongly advised to refrain from attending the Meeting in person and are requested to read the enclosed Circular and proxy, and then complete and deposit the proxy together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof with the Transfer Agent by delivery to: Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1 by 10:00 a.m. (Pacific time), on Monday, December 28, 2020, or at least forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting or any adjournment of it unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently. Unregistered shareholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary. The Company will provide a dial-in number to the Meeting so that shareholders or proxyholders can listen to the live Meeting. Shareholders listening to the live Meeting will only be entitled to vote by proxy and will only be counted in quorum if they send their proxies to the Company, as described above. The dial-in number for the live Meeting is an accommodation for shareholders and proxyholders who wish to hear the live Meeting without attending in person because of COVID-19.

If any shareholder does wish to attend the Meeting in person, please contact Michael Liggett at [liggett@icotherapeutics.com](mailto:liggett@icotherapeutics.com) in order for iCo to determine whether arrangements can be made that comply with all recommendations, regulations and orders related to the COVID-19 pandemic in effect at the time of the Meeting. No shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person.

The Company may take additional precautionary measures in relation to the Meeting as necessary in response to further developments related to the COVID-19 pandemic and shall comply with all applicable health and safety recommendations, regulations and orders related thereto. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means.

## **BUSINESS OF THE MEETING**

### **Interest of Certain Persons or Companies in Matters to Be Acted Upon**

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as may otherwise be set out herein.

### **Receive the Financial Statements**

The consolidated financial statements of the Company for the financial year ended December 31, 2019, together with the report of the auditor thereon, the unaudited financial statements of the Company for the interim period ended September 30, 2020 and related management discussion and analysis, all of which may be obtained on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com), will be placed before the Meeting.

### **Election of Directors**

#### ***Advanced Notice Policy***

The Company's advance notice policy was approved by shareholders on June 27, 2018 (the "Advance Notice Policy"). The Advance Notice Policy provides that advance notice be given to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company. In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 days prior to the date of the annual meeting. Additionally, the Advance Notice Policy sets forth the information that a shareholder must include in the notice to the Company and establishes the form in which the shareholder must submit the notice for that notice to be in proper written form.

The purpose of the Advance Notice Policy is to ensure that all shareholders, including those participating in a meeting by proxy rather than in person, receive adequate notice of the nominations to be considered and a meeting and can thereby exercise their voting rights in an informed manner.

The foregoing is merely a summary of the Advance Notice Policy, is not comprehensive and is qualified by the full text of such policy which is available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

As at the date hereof, the Company has not received notice of a nomination in compliance with the Advance Notice Policy.

## Nominees

The term of office for each of the present directors expires at the Meeting. Management of the Company proposes to nominate the persons named below for election as directors of the Company at the Meeting. Each director elected will hold office until the next annual general meeting of the Company or until his successor is duly elected or appointed, unless his office is vacated prior to such meeting in accordance with the Company's constating documents or the laws of the Company's governing jurisdiction.

The following table sets forth certain information with respect to each of the persons proposed to be nominated as directors of the Company, all of whom are presently directors of the Company. None of the individuals who have been nominated for election as directors of the Company are independent within the meaning of applicable securities laws.

Name and Residence	Position with the Company	Principal Occupation for Past Five Years	Director Since	Number (%) of Common Shares
<b>William Jarosz</b> <sup>(1)(2)(3)(4)</sup> New York, United States of America	Chief Executive Officer, Chairman and Director	Partner, Cartesian Capital Group, LLC, a private equity firm (May 2005 to Present)	June 1, 2006	1,533,556 0.99%
<b>Susan Kopyy</b> <sup>(1)(2)(5)</sup> Arizona, United States of America	President and Director	Principal, SL Kopyy Consulting (2009 to present)	December 24, 2015	Nil
<b>Michael Liggett</b> British Columbia, Canada	Corporate Secretary, Chief Financial Officer and Director	Chief Financial Officer, iCo Therapeutics Inc. (August 2016 to Present) Chief Financial Officer, Hit Technologies Inc. (November 2014 to January 2020) President, OGGE Finance Solutions Corp. (September 2012 to Present) Chief Financial Officer, Welco Lumber Supplies (January 2012 to January 2014)	January 23, 2017	Nil
<b>Peter Hnik</b> <sup>(1)(6)</sup> British Columbia, Canada	Chief Medical Officer and Director	Chief Medical Officer, iCo Therapeutics Inc. (July 2006 to Present)	March 9, 2020	159,200 0.10%

Notes:

- (1) Current member of the Audit Committee.
- (2) Current member of the Compensation Committee.
- (3) Current member of the Governance and Nomination Committee.
- (4) Andrew Rae resigned as Chief Executive Officer, President and a director of the Company on March 9, 2020. William Jarosz was appointed Chief Executive Officer on March 9, 2020.
- (5) Susan Kopyy was appointed President on March 9, 2020.
- (6) Dr. Hnik was appointed as a director of the Company on March 9, 2020.

To the knowledge of management, each of the above nominees is able and willing to serve as a director of the Company. However, in the event that one of the nominees named above should become unwilling or unable to serve as a director of the Company prior to the Meeting, it is intended that the discretionary power granted under any proxy which appoints as proxyholder one of the persons names in the accompanying form of proxy will be used to vote for any substitute nominee or nominees whom the Company in its discretion may select.

To the knowledge of management, no proposed director is or, within the 10 years prior to the date hereof, has been, a director, chief executive officer or chief financial officer of any other company that:

- while that person was acting in that capacity was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- after that person ceased acting in that capacity was subject to a cease trade order or similar order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer of the company.

To the knowledge of management, no proposed director is or, within the 10 years prior to the date hereof, has been, a director or executive officer of any company that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of management, no proposed director has, during the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold assets of the proposed director.

### *Experience*

#### *William Jarosz, JD — Chief Executive Officer, Chairman and Director*

William Jarosz is a founder and Senior Advisor at Cartesian Capital Group, LLC, a global investment management firm. From 1997 until 2005, Mr. Jarosz served as Managing Director and General Counsel of AIG Capital Partners, a subsidiary of American International Group, Inc., and as Managing Director of the AIG-Brunswick Millennium Fund. While at AIG Capital Partners, Mr. Jarosz oversaw global private equity transactions for the firm's various private equity funds. Prior to joining AIG in 1997, Mr. Jarosz practiced law at Debevoise & Plimpton, specializing in international private equity investment and Russian corporate and securities laws. Mr. Jarosz also served as a consultant to the World Bank on the regulation of Foreign Direct Investment in emerging markets. Mr. Jarosz is a graduate of the University of Montana and received an MA in Law and Diplomacy from the Fletcher School at Tufts University and a JD from Harvard Law School.

#### *Susan Kopyy, — President and Director*

Ms. Kopyy has more than 30 years of experience in marketing and business development in the bio-pharmaceutical industry in the U.S., Europe, and Japan. She has participated in the negotiation of numerous agreements with a multi-billion-dollar aggregate commercial value and is a frequent speaker on business development issues in the industry. After 15 years working through progressive positions of responsibility in life sciences, Ms. Kopyy joined Novartis Pharmaceuticals AG in Basel Switzerland in 2000 where she became the first woman on the global marketing management team. Between 2005 and 2008 she built and led strategy, business development and acquisition groups for Applied Biosystems, Inc., Idenix Pharmaceuticals and Transcept Pharmaceuticals where she successfully sourced and executed a major U.S. partnership with Purdue Pharmaceuticals. Ms. Kopyy now consults with a variety of bio-pharmaceutical companies on business development strategy, search, and transactions in a broad variety of therapeutic areas both in- and out-licensing. She is a member of the National Association for Corporate Directors, Healthcare Businesswomen's Association, and Licensing Executive Society.

#### *Michael Liggett, CPA, CA, BSc Pharm. — Corporate Secretary, Chief Financial Officer and Director*

Michael Liggett has over 18 years of financial experience in public companies, completing over \$300 million in equity and debt financing and approximately \$200 million in merger and acquisition transactions. Recently, Mr. Liggett has provided Chief Financial Officer and accounting services to numerous public and private companies.

Previously, Mr. Liggett acted as Chief Financial Officer of Eacom Timber Corporation (“Eacom”), a start-up softwood lumber company listed on the TSX Venture Exchange (the “Exchange”). Prior to Eacom, Mr. Liggett acted as the Chief Financial Officer of Inflazyme Pharmaceuticals Ltd. (“Inflazyme”), an early stage company focused on research and development for new drugs in inflammation. At Inflazyme, Mr. Liggett structured the largest life sciences strategic partnership in Canada at that time and completed over \$100 million in private placements and secondary offerings and listed the company on the Toronto Stock Exchange. Mr. Liggett is a Chartered Professional Accountant and worked for PWC prior to joining Inflazyme.

*Dr. Peter Hnik, MD, MHSc — Chief Medical Officer and Director*

Dr. Hnik received his medical degree from the Medical Faculty of Charles University of Prague in 1981. After practicing at the Eye Clinic of the Charles University Hospital where he performed surgery and consultation in glaucoma and neuroophthalmology, Dr. Hnik later joined the Eye Clinic of UBC as part of the glaucoma research group. He received his Master of Health Sciences degree from UBC in 1999. Prior to joining iCo, Dr. Hnik served as Associate Director of Clinical Research with QLT Inc., playing a critical role in designing and directing Visudyne clinical trials in AMD and diabetic retinopathy. He was also heavily involved in the publication, in-licensing and pharmacovigilance activities for Visudyne. He has authored numerous ocular publications and presentations at international forums. Dr. Hnik is a member of the Association for Research in Vision and Ophthalmology, the American Academy of Ophthalmology, the European Society of Retina Specialists, the Drug Information Association, and the New York Academy of Sciences.

### **Appointment of Auditor**

Management of the Company proposes to nominate PricewaterhouseCoopers LLP, Chartered Accountants (“PWC”) as auditor of the Company to hold office until the next annual meeting of shareholders, at remuneration to be fixed by the board of directors. PWC has acted as auditor of the Company since its appointment on March 2, 2008.

Unless such authority is withheld, the persons named in the accompanying form of proxy intend to vote FOR the appointment of PWC as auditor of the Company, to hold office until the next annual meeting of shareholders, at remuneration to be fixed by the board of directors. The board of directors recommends that shareholders vote in favour of the appointment of PWC as auditors of the Company.

### **Amendment and Restatement of the Stock Option Plan**

At the Meeting, shareholders will be asked to approve the ordinary resolution set forth below approving the amendment and restatement of the Company’s existing stock option plan (the “Stock Option Plan”) to make certain amendments as summarized under the heading “*Option Plan Amendments*” below (the “Option Plan Amendments”). For reference, a copy of the Stock Option Plan incorporating the proposed amendments is appended hereto as Schedule “A” (the “Amended and Restated Option Plan”).

The Stock Option Plan was originally adopted by the Board on October 30, 2007 to offer incentives to directors, officers, employees, consultants, management and others who provide services to the Company. The most recent amendment of the Stock Option Plan was approved by the Board on March 7, 2012 and approved by the shareholders of the Company on May 11, 2012. See “*Statement of Executive Compensation - Stock Option Plan*” below for a summary of the material terms of the existing Stock Option Plan.

The Company’s current Stock Option Plan is a “fixed” stock option plan pursuant to which a maximum of 4,000,000 common shares, being approximately 2.6% of the issued and outstanding common shares as of the Record Date, may be reserved for issuance pursuant to the exercise of options. As of the Record Date, the Company currently has options to acquire an aggregate of 3,685,000 common shares outstanding pursuant to the Stock Option Plan, leaving a total of 357 options available for grants.

At the Meeting, shareholders will be asked to approve the adoption of the Amended and Restated Option Plan.

### *Option Plan Amendments*

The principal changes to the Stock Option Plan reflected in the Amended and Restated Option Plan are as follows:

- changing the maximum number of issued and outstanding common shares reserved for issuance under the Amended and Restated Option Plan from a fixed number of 4,000,000 common shares of the Company to a “rolling” 10% of the issued and outstanding common shares of the Company at the time of the option grant, being a maximum of 15,374,771 common shares reserved for issuance under the Amended and Restated Option Plan as of the date hereof;
- adding the requirement that the Company obtain annual shareholder approval of the Amended and Restated Option Plan;
- updating the amendment provisions of the Amended and Restated Option Plan for greater clarity and to be consistent with the requirements of the Exchange;
- updating the change of control provisions of the Amended and Restated Option Plan for greater clarity and to provide the greater flexibility regarding the treatment of options upon the occurrence of certain change of control events;
- certain other amendments, including participation limits, to align the Amended and Restated Option Plan with the requirements of the Corporate Finance Manual of the Exchange; and
- amendments of a “housekeeping” nature.

### *Fixed Stock Option Plan to Rolling Stock Option Plan*

The Company currently has a “fixed” stock option plan reserving for issuance 4,000,000 common shares. The Option Plan Amendments, among other things, will change the Amended and Restated Option Plan from a “fixed” stock option plan reserving for issuance 4,000,000 common shares to a “rolling” stock option plan reserving for issuance a maximum of 10% of the issued and outstanding common shares of the Company at the time of the option grant.

The Company has also added the requirement that shareholder approval be obtained annually at the meeting of shareholders, as required by the Exchange for “rolling” stock option plans.

### *Insider Participation Limit*

The Company has added a participation limit for insiders as a group, being that the number of common shares which may be issuable under the Amended and Restated Option Plan to insiders, together with all of the Company’s other compensation arrangements shall not exceed 10% of the issued and outstanding common shares within a one-year period.

The Company has added a requirement for options granted to employees retained by the Company to provide investor relations activities such that options granted to such individuals will vest in stages over not less than 12 months with no more than one quarter of such options in any three month period.

### *Amendment Provisions*

The Company has added the requirement that approval of disinterested shareholders be obtained for amendments to the Amended and Restated Option Plan that could result in: (i) the number of common shares issued under the Amended and Restated Option Plan and all other security-based compensation arrangements of the Company to

insiders, within a one-year period, exceeding 10% of the issued and outstanding common shares; (ii) the number of common shares issuable under the Amended and Restated Option Plan and all other security-based compensation arrangements of the Company to insiders exceeding 10% of the issued and outstanding common shares; (iii) the number of common shares issuable under the Amended and Restated Option Plan to any one optionee, within a one-year period, exceeding 5% of the issued and outstanding common shares; and (iv) decrease the exercise price of options previously granted to insiders.

The Company has updated the categories of amendments that require the approval of shareholders to the following categories: (i) amendments that affect the maximum number or percentage of common shares that can be issued under the Amended and Restated Option Plan; (ii) amendments that modify the method of calculating the exercise price of options; (iii) amendments to the expiry and termination provisions; (iv) amendments that modify the limits on participation by any one person, insiders, consultants or persons involved in investor relations activities; or amendments that modify the categories of persons eligible to participate under the Amended and Restated Option Plan.

#### *Capital Changes, Corporate Transactions and Change of Control*

The Company has updated the provision relating to the acceleration of stock option vesting such that if the Company seeks shareholder approval for a transaction which would constitute an Acceleration Event (defined below) or a third party makes a bona fide formal offer to the Company or its shareholders which would constitute an Acceleration Event, the Board may (i) permit the exercise of options, as to all or any of such options that have not previously been exercised (regardless of any vesting restrictions), but in no event later than the expiry date of the option, so that optionees under the Amended and Restated Option Plan may participate in such transaction; and (ii) require the acceleration of the time for the exercise of the options and of the time for the fulfilment of any conditions or restrictions on such exercise.

An “Acceleration Event” is defined in the Amended and Restated Option Plan as (i): the acquisition by any person or any persons acting jointly of beneficial ownership of more than 50% of the common shares of the Company, by means of a take-over bid or otherwise; (ii) any plan of arrangement, amalgamation, consolidation, merger or other business combination of the Company in which the Company is not the surviving company or pursuant to which shares of the Company would be converted into cash, securities or other property, other than a merger of the Company which shareholders have the same proportionate ownership of stock of the surviving company immediately after the merger; (iii) any sale, lease exchange or other of all or substantially all of the assets of the Company; (iv) the approval by the shareholders of any plan of liquidation or dissolution of the Company; or (v) any other transaction that is deemed to be an “Acceleration Event” by the Board in its sole discretion. Notwithstanding any other provision of the Amended and Restated Option Plan or the terms of any option, if at any time when options remains unexercised and the Company completes any transaction which constitutes an Acceleration Event, all outstanding unvested options will automatically vest.

#### **Resolution Approving the Amended and Restated Option Plan**

The Exchange has conditionally approved the Option Plan Amendments, subject to receipt from the Company of, among other things, evidence of shareholder approval. At the Meeting, shareholders will be asked to consider and, if thought fit, pass the resolution set out below, approving the implementation of the Amended and Restated Option Plan:

#### **“NOW THEREFORE BE IT RESOLVED THAT:**

1. The Amended and Restated Option Plan, in substantially the form attached as Schedule A hereto, with such deletions, amendments or additions thereto as any one director or officer of the Company may approve (and be authorized to make pursuant to the terms of the Amended and Restated Option Plan and the rules of the Exchange), be and is hereby authorized and approved.

2. An aggregate of such number of common shares as are issuable under the Amended and Restated Option Plan (subject to adjustment or increase of such number pursuant to the provisions of the Amended and Restated Option Plan) be and are hereby reserved and allotted for issuance upon the exercise of options in accordance with their terms and the terms of the Amended and Restated Option Plan; and, when issued upon the exercise of such options in accordance with the terms and conditions thereof and of the Amended and Restated Option Plan and the Company's receipt of all applicable documents and consideration therefor, such common shares shall be validly issued as fully paid and non-assessable common shares in the capital of the Company.
3. Any one director or officer of the Company be and is hereby authorized to take any and all such further steps and execute any documents as such director or officer may deem necessary or desirable to give effect to the Amended and Restated Option Plan."

To be approved, the resolution must be passed by a majority of the votes cast by the shareholders at the Meeting. **In the absence of contrary instruction, the person(s) designated in the enclosed form of proxy intend to vote FOR the Stock Option Plan Resolution. The board of directors recommends that shareholders vote in favour of approving the Amended and Restated Option Plan.**

Should the Amended and Restated Option Plan not receive the required shareholder approval at the Meeting, the existing Stock Option Plan will remain in place.

#### **Additional Information**

Management of the Company is not aware of any matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in the best judgment of the person or persons voting the proxy unless the shareholder has specified to the contrary that the common shares represented thereby are to be withheld from voting with respect to such matters.

#### **STATEMENT OF EXECUTIVE COMPENSATION**

The following discussion and analysis covers the compensation paid to the individuals who served as Chief Executive Officer and Chief Financial Officer of the Company during the financial year ended December 31, 2019 and the most highly compensated individual who was an executive officer of the Company at the end of the financial year ended December 31, 2019 and whose total compensation exceeded \$150,000 (each such person, a "Named Executive Officer").

#### **Compensation Philosophy and Objectives**

The Company's executive compensation program is designed to retain key executive consultants in both the short and long term, incentivise both individual and corporate performance and align interests of executives with other corporate stakeholders such as shareholders and corporate partners. Compensation decisions are intended to be transparent, and the Company's compensation practices are intended to be simple in design. Given the Company's size, resources and business model, the Company primarily uses three elements of compensation for its Named Executive Officers: daily consulting fee, annual incentive pay (bonus) and long-term equity compensation (options). In establishing the framework for the Company's compensation practices, the Company takes into account the inherent uncertainties of its business and the fact that the success of the Company is influenced by a number of risk factors, many of the most important of which are outside the Company's control.

The Company strongly encourages its executive officers to maintain equity ownership in the Company, both through direct shareholdings and derivative holdings such as options. As at December 31, 2019, management and directors owned or exercised control or direction over 1,692,756 common shares, representing 1.10% of the

Company's issued and outstanding common shares. The Company does not provide any financial assistance to Named Executive Officers to purchase equity in the Company.

### **Decision Making Process**

The Compensation Committee of the board of directors oversees and provides strategic direction to management regarding the Company's compensation policies and general human resources policies. In addition to that mandate of broad oversight and direction, the Compensation Committee is tasked with implementing programs to attract, retain and develop management of the highest calibre. Additional information relating to the mandate of the Compensation Committee is included in the summary of corporate governance practices attached as Schedule "B". The Compensation Committee makes recommendations to the board of directors with respect to the annual salary, bonus and other benefits of the Chief Executive Officer and approves the compensation for all other Named Executive Officers taking into consideration the recommendations of the Chief Executive Officer. The company believes that its review process provides an effective ongoing evaluation of its executive compensation program relative to industry practice and allows for appropriate and timely adjustments to the program.

The members of the Compensation Committee are Susan Kopyy and William Jarosz. Ms. Kopyy and Mr. Jarosz are not independent directors. Mr. Jarosz is not independent as he is the Chief Executive Officer of the Company. Ms. Kopyy is not independent as she is the President of the Company.

For a description of the experience of the members of the Compensation Committee relevant to their responsibilities on the Compensation Committee, see "Election of Directors – Experience" above.

### **Assessment of Risks Associated with the Company's Compensation Policies and Practices**

The Compensation Committee has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Compensation Committee has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company.

The Compensation Committee considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

### **Financial Instruments**

The Company has not adopted a policy restricting its Named Executive Officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its Named Executive Officers or directors. To the knowledge of the Company, none of the Named Executive Officers or directors has purchased such financial instruments.

### **Compensation Framework**

The Compensation Committee considers all elements of compensation as a whole rather than any one element in isolation. In evaluating executive compensation, the Company considers a broad range of factors, including individual performance and corporate results. Other factors taken into account in establishing compensation include market competitiveness and internal equity. The relative balance of those factors will likely differ from year to year. The Committee also examines the competitive positioning of total compensation, the ratio of current to long-term compensation and the amount of fixed and variable compensation. The Compensation Committee is tasked with ensuring that the Company's compensation practices are affordable as an element of the Company's overall cost of doing business, while rewarding performance and creating incentives to achieve long-term success. For details regarding compensation of each Named Executive Officer, refer to "Summary of Executive Compensation" below.

### ***Daily Consulting Fee***

The daily consulting fee is a key component of compensation, both on its own and because annual incentive awards are based on percentages of the daily consulting fee. Fees for executive officers are determined by evaluating the responsibilities of each executive's position, as well as the experience and knowledge of the individual, with a view to internal equity and the competitive marketplace. The Compensation Committee balances the desire to set the daily consulting fee at a level competitive enough to attract highly qualified executive officers against the desire to ensure that performance remains a key factor in determining total compensation of the Company's management team. In determining the base salaries of the Named Executive Officers, the Compensation Committee reviews and considers compensation information from a number of publicly available sources relevant to the biotechnology and life sciences sector as well as external market surveys when available. In setting the salary of the Named Executive Officers (other than the Chief Executive Officer), the Compensation Committee also relies to a large extent on the Chief Executive Officer's recommendation and evaluation of each Named Executive Officer's performance.

For all employees, including Named Executive Officers (other than the Chief Executive Officer), salary adjustments are considered by the Compensation Committee in the first quarter of the Company's fiscal year and implemented at the time of approval by the board of directors. Annual adjustments to daily consulting fee are not guaranteed and any adjustment includes consideration for individual performance, internal equity and market conditions.

### ***Annual Bonus***

The Compensation Committee has established an annual bonus program to drive performance and the achievement of corporate goals. The bonus program rewards short term results and performance, all of which are linked to the Company's long-term objectives. All Named Executive Officers, as well as other employees of the Company, are eligible to receive a bonus. The award and amount of any bonus are not pre-determined under any policy and are at the sole discretion of the Compensation Committee, which in turn provides a recommendation to the board of directors for approval. A decision to award a bonus is based on the responsibility and accountability of the individual and the role within the organization, performance of the individual, performance of the Company in reaching certain corporate goals for any given year and a number of other factors, both internal and external.

### ***Incentive Programs – Stock Options***

The Company's Stock Option Plan is available to all employees, including the Named Executive Officers, and consultants to the Company. As options have increased value to the holder if the market value of the stock appreciates over time, the objective of the program is to tie the interests of employees directly to the interests of the shareholders. In that regard, the Stock Option Plan is intended to serve as a long-term retention and incentive tool. The exercise price, terms, vesting and conditions of any options granted are established by the board of directors and subject to the rules of the regulatory authorities having jurisdiction over the securities of the Company. The options granted may be exercised during a period not exceeding ten years. The options are non-transferable.

Awards of options for all employees, including Named Executive Officers, are approved by the board of directors upon the recommendation of the Compensation Committee. The determination of an award, as well as the amount of the any award, is at the sole discretion of the board of directors. In deciding to grant options, the board of directors takes previous option grants into consideration. There are no performance or other conditions related to the vesting of the options, other than continued employment with the Company.

### ***Employment Agreements, Termination and Change of Control Benefits***

As of December 31, 2019, the Company was a party to consulting agreements with each of the Named Executive Officers. Each such agreement (collectively, the "Agreements") contains covenants in the Company's favour, including a non-competition covenant, a loyalty covenant, a non-solicitation of clients and employees covenant and confidentiality and non-disclosure obligations. Under the Agreements, all confidential information and intellectual property that is invented, conceived or originated by the Named Executive Officer is the Company's property. Each

Named Executive Officer may be terminated by the Company immediately for cause or with six months written notice or payment.

Under the Agreements, the Named Executive Officers are currently eligible to receive the following amounts per annum:

**Summary of Executive Compensation**

**Total**

<b>Name</b>	<b>Annual Daily Consulting Fee</b>
Andrew Rae <sup>(1)</sup>	\$1,400 per day
William Jarosz <sup>(1)</sup>	Nil
Notes: Michael Liggett	\$800 per day

(1) Andrew Rae resigned from his position as Chief Executive Officer, President and Director on March 9, 2020 and William Jarosz assumed the role of Chief Executive Officer.

**Compensation**

The following table provides a summary of the compensation earned in respect of the Company’s completed financial years for 2017, 2018 and 2019 by the Named Executive Officers who were serving as executive officers of the Company on December 31, 2019.

Name & Principal Position	Year	Salary/Fees (\$)	Share-Based Awards (\$)	Option-Based Awards <sup>(2)</sup> (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Andrew Rae Chief Executive Officer <sup>(1)</sup>	2019	277,900	N/A	N/A	N/A	N/A	N/A	N/A	277,900
	2018	205,100	N/A	Nil	N/A	N/A	N/A	Nil	205,100
	2017	195,300	N/A	Nil	N/A	N/A	N/A	Nil	195,300
Michael Liggett, Chief Financial Officer	2019	42,450	N/A	N/A	N/A	N/A	N/A	N/A	42,450
	2018	50,350	N/A	Nil	N/A	N/A	N/A	N/A	50,350
	2017	51,625	N/A	6,600	N/A	N/A	N/A	N/A	58,225

Notes:

- (1) Andrew Rae resigned from his position as Chief Executive Officer, President and Director on March 9, 2020. Andrew Rae did not receive any compensation for his duties as a director or for attendance at board or committee meetings in 2017, 2018 or 2019. William Jarosz was appointed Chief Executive Officer on March 9, 2020.
- (2) The fair value of the option based awards is estimated as at the date of the option grant using the Black-Scholes option pricing model.

**Incentive Plan Awards – Outstanding Option-Based Awards – Named Executive Officers**

The following table provides a summary of all option-based and share-based awards to the Named Executive Officers outstanding at the end of the Company’s financial year ended December 31, 2019.

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of total unexercised in-the-money option <sup>(2)</sup> (\$)	Number of shares of units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based rewards not paid out or distributed (\$)
Andrew Rae, Chief Executive Officer <sup>(1)</sup>	Nil	Nil	N/A	Nil	N/A	N/A	N/A
Michael Liggett, Chief Financial Officer	150,000	0.05	Jan 23, 2022	Nil	N/A	N/A	N/A

Note:

- (1) As a result of Andrew Rae's resignation as President, Chief Executive Officer and a director of the Company, all of Mr. Rae's options under the Stock Option Plan have expired and forfeited.
- (2) The value of unexercised in-the-money options is determined by calculating the intrinsic value of each option (market price less exercise price). The closing price of the common shares on the Exchange on December 31, 2019, the last trading day of the Company's fiscal year was \$0.080.

### ***Incentive Plan Awards – Value Vested or Earned During the Year – Named Executive Officers***

The following table sets forth, for each Named Executive Officer, the value vested for all outstanding option-based and share-based awards and the value earned for all non-equity incentive plan compensation during the twelve month period ended December 31, 2019.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Andrew Rae, Chief Executive Officer	Nil	N/A	N/A
Michael Liggett, Chief Financial Officer	Nil	N/A	N/A

Note:

- (1) Represents the intrinsic value, if any, of each option vested during the year (market price on the vesting date less exercise price).

### ***Long Term Incentive Plans***

The Company does not have a long-term incentive plan pursuant to which compensation was paid or distributed to the Named Executive Officers during the financial period ended December 31, 2019. A "long term incentive plan" means a plan providing compensation intended to motivate performance over a period greater than one financial year other than option plans, stock appreciation rights or restricted share compensation.

The Company has not granted any stock appreciation rights either during or prior to the year ended December 31, 2019.

### ***Pension Plan Benefits***

The Company does not provide any form of pension plan or other retirement benefit to the Named Executive Officers.

## Compensation of Non-Management Directors

### Total Compensation

It is the Company's policy to provide compensation to independent directors for their role in overseeing the strategic direction of the Company, participating in various meetings (both the board as a whole and at various committee levels) and otherwise providing advice, governance and industry perspective to the Company and its management. Directors who are also Named Executive Officers do not receive additional compensation beyond what is provided for in their employment contracts. The Company pays directors primarily in two forms: a fixed quarterly fee payable in cash and through the grant of stock options. The Company only rewards directors for their role as directors and does not provide compensation to directors for their role in various committees.

The following table provides a summary of the compensation earned in respect of the Company's financial year ended December 31, 2019 by the non-management members of the Company's board of directors:

Name <sup>(3)</sup>	Fees earned <sup>(1)</sup> (\$)	Share-based awards (\$)	Option-based awards <sup>(2)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
William Jarosz <sup>(5)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Susan Kopyy <sup>(4)</sup>	52,488	Nil	Nil	Nil	Nil	Nil	52,488

Notes:

- (1) Directors were reimbursed for their out-of-pocket expenses to attend meetings.
- (2) The fair value of the option-based awards is estimated as at the date of the option grant using the Black-Scholes option pricing model.
- (3) Andrew Rae and Michael Liggett's compensation for their roles as directors are included above under "Summary of Executive Compensation".
- (4) Susan Kopyy's compensation included compensation for her role as director and a consulting fee for business development services she provided to the Company.
- (5) William Jarosz was appointed Chief Executive Officer on March 9, 2020.

### Incentive Plan Awards - Outstanding Option Based Awards – Non-Management Directors

The following table provides a summary of all option-based and share-based awards outstanding to non-management directors as at the end of the Company's financial year ended December 31, 2019:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of total unexercised in-the-money option <sup>(1)</sup> (\$)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
William Jarosz	200,000	0.05	Feb 16, 2021	Nil	N/A	N/A	N/A
Susan Kopyy	100,000	0.05	Feb 16, 2021	Nil	N/A	N/A	N/A

Notes:

- (1) The value of unexercised in-the-money options is determined by calculating the intrinsic value of each option (market price less exercise price). The closing price of the common shares on the Exchange on December 31, 2019, was \$0.08, the last trading day of the Company's fiscal year.

***Incentive Plan Awards – Value Vested or Earned During the Year – Non-Management Directors***

The following table sets forth, for each non-management director, the value vested for all outstanding option-based and share-based awards and the value earned for all non-equity incentive plan compensation during the twelve-month period ended December 31, 2019.

<b>Name</b>	<b>Option-based awards – Value vested during the year<sup>(1)</sup></b> (\$)	<b>Share-based awards – Value vested during the year</b> (\$)	<b>Non-equity incentive plan compensation - Value earned during the year</b> (\$)
William Jarosz	Nil	N/A	N/A
Susan Koppy	Nil	N/A	N/A

Note:

- (1) Represents the intrinsic value, if any, of each option vested during the year (market price on the vesting date less exercise price).

**Securities Authorized For Issuance under Equity Compensation Plans**

As of the date hereof, the Company has 3,685,357 common shares reserved for issuance under the Stock Option Plan, representing 2.4% of the currently issued and outstanding common shares of the Company. As of the date hereof, options exercisable for 3,685,000 common shares are outstanding, representing 2.4% of the currently issued and outstanding common shares of the Company.

The following table sets forth information with respect to the number of options granted pursuant to the Stock Option Plan as at December 31, 2019. No options have been granted under stock option plans which have not been approved by the Company's shareholders.

<b>Plan Category</b>	<b>Number of common shares to be issued upon exercise of outstanding options</b>	<b>Weighted-average exercise price of outstanding options</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)</b>
Equity compensation plans approved by security holders	3,685,357	\$0.06	357
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>3,685,357</b>	<b>\$0.06</b>	<b>357</b>

**Stock Option Plan**

The following is a summary of the principal terms of the Stock Option Plan in force as of the date hereof, prior to giving effect to the proposed amendments as described in this Circular under the heading "Amendment and Restatement of the Stock Option Plan".

The purpose of the Stock Option Plan is to attract and motivate the directors, officers and employees of the Company (and any of its subsidiaries) and consultants to the Company (collectively, the "Eligible Persons") and thereby

advance the Company's interests by providing them an opportunity to acquire an equity interest in the Company through the exercise of stock options granted to them under the Stock Option Plan.

Pursuant to the Stock Option Plan, the Board may grant options to Eligible Persons in consideration of their services to the Company or a subsidiary. The number of options granted is determined by the Board within the guidelines established by the Stock Option Plan. The options are exercisable by the holders of options (collectively, the "Optionholders") giving the Company notice and payment of the exercise price for the number of common shares to be acquired.

The Stock Option Plan authorizes the Board to grant stock options to the Eligible Persons on the following terms:

1. The number of common shares subject to issuance pursuant to outstanding options, in the aggregate, cannot exceed 4,000,000 common shares.
2. The number of common shares subject to issuance upon the exercise of options granted under the Stock Option Plan by one Optionholder or all Optionholders providing investor relations services is subject to the following limitations:
  - (a) the number of common shares which may be reserved for issuance under options granted to any one person in any 12 month period (on a non-diluted basis), at the time of any grant, under the Stock Option Plan shall not exceed:
    - i. 5% of the issued common shares;
    - ii. 2% of the issued common shares, if the Optionholder is a consultant, and
  - (b) the aggregate number of common shares subject to options held by all Optionholders providing investor relations services cannot exceed 2% in the aggregate.
3. The exercise price of the options is determined by the Board and cannot be less than:
  - (a) at any time during which the common shares are listed and posted for trading on the Exchange, the Discounted Market Price (as defined in the Stock Option Plan); and
  - (b) at any other time, the fair market value of the common shares as determined by the Board in its sole discretion, subject to the rules and regulations of any regulatory authority.
4. The options may be exercisable for up to five years if the Company is a Tier 2 issuer on the Exchange or in all other cases, up to ten years.
5. The options vest in stages over a period of at least 18 months, with no more than one-quarter of any such options vesting in any three month period. However, the Board may impose additional vesting requirements and, subject to obtaining any required approval from the Exchange, may authorize all unvested options to vest immediately.

6. The options can only be exercised by the Optionholder (to the extent they have already vested) for so long as the Optionholder is a director, officer or employee of, or consultant to, the Company or any subsidiary and within a period thereafter not exceeding the earlier of:
  - (a) the original expiry date determined by the Board;
  - (b) 90 days after ceasing to be a director, officer or employee of, or consultant to, the Company at the request of the Board;
  - (c) 30 days after ceasing to be an employee retained by the Company that provides investor relation services to the Company at the request of the Board;
  - (d) if the Optionholder dies, within one year from the Optionholder's death;
  - (e) if the Optionholder becomes permanently disabled, within six months from the date the Optionholder became permanently disabled;
  - (f) if the Optionholder is terminated 'for cause', involuntarily removed or resigns (other than at the request of the Board or for the benefit of another director or officer) from any of such positions the option will terminate concurrently; and
  - (g) if the expiration date occurs during a blackout period or within 2 business days of a blackout period, the expiry date for such option will be the tenth business day after the end of such blackout period.
7. The options are not transferable or assignable.
8. The Board may implement procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.
9. An option granted to a U.S. participant is required to specify whether such option is an incentive stock option or a nonqualified stock option. The number of shares available for granting incentive stock options under the Stock Option Plan cannot not exceed 5% of the total number of common shares issued and outstanding (on a non-diluted basis) at the time of any grant. To the extent that the aggregate fair market value of shares (determined as of the date of grant of the option) with respect to which incentive stock options are exercisable for the first time by a U.S. participant during any calendar year exceeds US\$100,000, or any limitation subsequently set forth in section 422(d) of the Code, such excess will be considered a nonqualified stock option. An incentive stock option will terminate no later than ten after the date of grant; provided, however, that in the case of a U. S participant who, at the time of grant, is a 10% shareholder, such incentive stock options will terminate no later than five years after the date of grant.
10. The Board may adjust the number and kind of shares or other securities reserved for issuance, the number of shares issued upon the exercise of options or the exercise price of option in the event of any stock dividend or any recapitalization, amalgamation, subdivision, consolidation, combination or exchange of shares, or corporate events which the Board determines affects the common shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of persons eligible to receive options under the Stock Option Plan, subject to any approvals required to be obtained from the Exchange or any other regulatory body.

11. The Board has the authority at any time and from time to time, to amend any of the provisions of the Stock Option Plan, or any option granted thereunder. However, no such amendment may be made that will materially prejudice the rights of any Optionholder without the prior written consent of such Optionholder.
12. Shareholder approval will be required for the following types of amendments:
  - (a) increasing the aggregate number common shares that can be issued;
  - (b) reducing the exercise price or purchase price of an outstanding option (or canceling an outstanding option for the purpose of issuing a replacement option to the same Optionholder at a lower exercise price);
  - (c) extending the expiry date of an outstanding option;
  - (d) excluding participation by non-employee directors;
  - (e) modifying the limits on participation by non-employee directors;
  - (f) expanding the class of persons eligible to participate under the Stock Option Plan to permit the grant of options to non-employee directors;
  - (g) removing any restrictions on the transferability or assignability of options, subject to any restrictions on transferability or assignability of options imposed by the Exchange or any other regulatory body; or
  - (h) changing the amendment provisions of the Stock Option Plan;

No options have been granted under the Stock Option Plan which remain subject to shareholder approval.

## **OTHER INFORMATION**

### **Indebtedness of Directors and Executive Officers**

No director or executive officer and no former or proposed director or executive officer of the Company or any of their associates is, or at any time since the beginning of the most recently completed financial year, has been, indebted to the Company or indebted to another entity where such indebtedness is or was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

### **Interest of Informed Persons in Material Transactions**

Other than as set forth herein, no person who has been a director or executive officer of the Company at any time since the commencement of the Company's most recently completed financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing, nor any informed person (as defined in applicable securities legislation) has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## **Corporate Governance**

The discussion of the Company's governance practices required by National Instrument 58-101 – Disclosure of Corporate Governance Practices is attached to this Circular as Schedule "B".

### **AUDIT COMMITTEE INFORMATION**

#### **Audit Committee Charter**

The primary function of the Audit Committee is to assist the board of directors of the Company in fulfilling its oversight responsibilities with respect to the quality and integrity of the consolidated financial statements of the Company; appointing and overseeing the external auditors and reviewing the qualifications and independence of the external auditors; reviewing the performance of the external auditors; ensuring compliance by the Company with all legal and regulatory requirements for audit and related financial functions of the Company; reviewing financial information contained in public filings of the Company; reviewing earnings announcements of the Company prior to release to the public; monitoring the Company's systems of and compliance with internal financial controls; reviewing the Company's auditing, accounting and financial reporting processes; and dealing with all complaints regarding accounting, internal accounting controls and auditing matters. The Audit Committee Mandate is attached as Schedule "C".

#### **Composition of Audit Committee**

The Audit Committee consists of Ms. Susan Kopyy, Mr. William Jarosz and Mr. Peter Hnik. Mr. Jarosz, who chairs the Audit Committee, Mr. Hnik and Ms. Kopyy are each employee members of our board of directors. Our board of directors has determined that Ms. Kopyy, Mr. Hnik and Mr. Jarosz are not "independent" as such term is defined in National Instrument 52-110 – Audit Committees ("NI 52-110"). Our board of directors has determined that each member of the Audit Committee is "financially literate" under NI 52-110.

#### **Relevant Education and Experience**

The education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee member is described below:

##### *Susan Kopyy*

Ms. Kopyy has more than 30 years of experience in marketing and business development in the bio-pharmaceutical industry in the U.S., Europe, and Japan. She has participated in the negotiation of numerous agreements with a multi-billion dollar aggregate commercial value and is a frequent speaker on business development issues in the industry. After 15 years working through progressive positions of responsibility in life sciences, Ms. Kopyy joined Novartis Pharmaceuticals AG in Basel Switzerland in 2000 where she became the first woman on the global marketing management team. Between 2005 and 2008 she built and led strategy, business development and acquisition groups for Applied Biosystems, Inc., Idenix Pharmaceuticals and Transcept Pharmaceuticals where she successfully sourced and executed a major U.S. partnership with Purdue Pharmaceuticals. Ms. Kopyy now consults with a variety of bio-pharmaceutical companies on business development strategy, search, and transactions in a broad variety of therapeutic areas both in- and out-licensing. She is a member of the National Association for Corporate Directors, Healthcare Businesswomen's Association, and Licensing Executive Society.

##### *William Jarosz*

William Jarosz is a founder and Senior Advisor at Cartesian Capital Group, LLC, a global investment management firm. From 1997 until 2005, Mr. Jarosz served as Managing Director and General Counsel of AIG Capital Partners, a subsidiary of American International Group, Inc., and as Managing Director of the AIG-Brunswick Millennium Fund. While at AIG Capital Partners, Mr. Jarosz oversaw global private equity transactions for the firm's various

private equity funds. Prior to joining AIG in 1997, Mr. Jarosz practiced law at Debevoise & Plimpton, specializing in international private equity investment and Russian corporate and securities laws. Mr. Jarosz also served as a consultant to the World Bank on the regulation of Foreign Direct Investment in emerging markets. Mr. Jarosz is a graduate of the University of Montana, and received an MA in Law and Diplomacy from the Fletcher School at Tufts University and a JD from Harvard Law School.

### **Pre-Approval of Audit Services and Permitted Non-Audit Services**

As set forth in the Audit Committee Mandate, the Audit Committee is required to pre-approve all audit services and permitted non-audit services performed by our external auditors.

### **External Auditor Service Fees**

The following table sets forth, by category, the fees billed by PricewaterhouseCooper LLP to the Company for the year ended December 31, 2019 (including estimates) and for the year ended December 31, 2018 (actuals). During these years, PricewaterhouseCooper LLP was the Company's only external auditor.

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>	<b>Total</b>
December 31, 2019	\$38,500	Nil	Nil	Nil	\$38,500
December 31, 2018	\$37,600	\$27,300	Nil	Nil	\$64,900

### **Additional Information**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year. Security holders may obtain copies of the Company's financial statements and management's discussion and analysis on SEDAR or by contacting the Company at iCo Therapeutics Inc., 6<sup>th</sup> floor – 777 Hornby Street, Vancouver, British Columbia, Canada V6Z 2T3, Telephone: (778) 802-9806, E-mail: [liggett@icotherapeutics.com](mailto:liggett@icotherapeutics.com).

### **Approval of Circular**

The contents and the sending of this Circular to the shareholders of the Company have been approved by the board of directors.

By Order of the Board of Directors

(signed) "*William Jarosz*"

William Jarosz  
Chief Executive Officer and Director

Vancouver, British Columbia  
November 30, 2020

**SCHEDULE "A"**  
**AMENDED AND RESTATED STOCK OPTION PLAN**  
**AND BLACKLINE**

Please see attached.

**iCo THERAPEUTICS INC.**

**AMENDED AND RESTATED STOCK OPTION PLAN (2020)**

## SECTION 1 - GENERAL PROVISIONS

### 1.1 Definitions

For the purpose of this Plan, the following terms shall have the following meanings:

- (a) “**Acceleration Event**” has the meaning ascribed thereto in Section 2.8(b);
- (b) “**Administrative Guidelines**” means the administrative guidelines relating to this Plan, which may include guidelines regarding the terms, limitations, restrictions and conditions for the grant of Options, as may be approved by the Board from time to time;
- (c) “**Administrator**” means, initially, the chief financial officer of the Corporation and thereafter shall mean such director, officer or employee of the Corporation as may be designated from time to time, as Administrator by the Board;
- (d) “**Award Date**” means, in respect of a particular Option, the date on which the Board grants the Option;
- (e) “**Blackout Period**” means any period during which a policy of the Corporation prohibits or prevents any Optionholder from exercising an Option or trading in securities of the Corporation;
- (f) “**Board**” means the board of directors of the Corporation;
- (g) “**business day**” means a day other than Saturday, Sunday or any other day which is a statutory holiday in British Columbia or on which the Common Shares are not available for trading on the facilities of the Exchange;
- (h) “**Cause**” has (i) the meaning ascribed thereto in the written employment agreement between the Corporation and the Optionholder or (ii) in the event that there is no such written agreement or Cause is not defined in such agreement, the usual meaning of just cause under the laws (including the common law) of the jurisdiction in which the Optionholder is employed;
- (i) “**Common Shares**” means the common shares of the Corporation as currently constituted;
- (j) “**Consultant**” means:
  - (i) an individual (an “**Individual Consultant**”) other than a director, officer or employee of the Corporation or a subsidiary of the Corporation that (a) is engaged to provide, on an ongoing basis, consulting, technical or other services to the Corporation or a subsidiary of the Corporation, other than services provided in relation to a distribution, (b) provides the services under a written contract with the Corporation or a subsidiary of the Corporation, (c) in the reasonable opinion of the Board, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or any of its subsidiaries and (d) has a relationship with the Corporation that enables such person to be knowledgeable about the business and affairs of the Corporation; or

- (ii) any corporation of which an Individual Consultant is an employee or shareholder or any partnership of which an Individual Consultant is an employee or partner;
- (k) **“Corporation”** means iCo Therapeutics Inc.;
- (l) **“Discounted Market Price”** has the meaning ascribed thereto in the TSXV Corporate Finance Manual;
- (m) **“Effective Date”** means December 30, 2020;
- (n) **“Eligible Person”** means, subject to all applicable laws, any director, officer, employee (whether part-time or full-time) or Consultant of the Corporation or a subsidiary of the Corporation;
- (o) **“Exchange”** means the TSX Venture Exchange;
- (p) **“Exchange Hold Period”** means a four month resale restriction imposed by the Exchange on:
  - (i) the Common Shares issued upon the exercise of an Option held by an Insider; and
  - (ii) the Options granted under this Plan with an exercise price that is less than the applicable Market Price.
- (q) **“Exercise Notice”** means the notice to be delivered to the Administrator in connection with the exercise of all or any portion of an Option, in the form set out as Schedule “B” hereto, duly executed by the holder thereof;
- (r) **“Exercise Price”** means the price at which an Option may be exercised as determined in accordance with Section 2.3;
- (s) **“Insider”** means (i) a director or senior officer of the Corporation, (ii) a director or senior officer of a company that is an Insider or subsidiary of the Corporation, (iii) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation; or (iv) the Corporation itself if it holds any of its own securities;
- (t) **“Investor Relations Activities”** has the meaning ascribed to such term in the TSXV Corporate Finance Manual;
- (u) **“ISO”** has the meaning ascribed to such term in Section 2.9;
- (v) **“Market Price”** has the meaning ascribed to such term in the TSXV Corporate Finance Manual;
- (w) **“Option”** means an option to purchase Common Shares granted to an Eligible Person pursuant to the terms of this Plan;
- (x) **“Option Certificate”** means, with respect to any Option, a certificate evidencing such Option in the form set out as Schedule “A” hereto or such other form as may be approved by the Board at the time of the grant of the Option;

- (y) **“Optionholders”** means the holders of Options granted under this Plan and **“Optionholder”** means any one of them;
- (z) **“Original Plan”** has the meaning ascribed to such term in Section 1.4;
- (aa) **“Personal Representative”** means:
  - (i) in the case of a deceased Optionholder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
  - (ii) in the case of an Optionholder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Optionholder;
- (bb) **“Plan”** means this stock option plan, as it may be amended from time to time;
- (cc) **“Share Capital Event”** has the meaning ascribed to such term in Section 2.8(a);
- (dd) **“subsidiary”** of any issuer means a person that is controlled by the issuer or is controlled by the same person that controls the issuer, where a person shall be considered to control another a person as such expression is interpreted in Part 2, Division 4 of National Instrument 45-106 — Prospectus and Registration Exemptions;
- (ee) **“U.S. Participant”** means an Eligible Person who is a citizen or resident of the United States; and
- (ff) **“U.S. Tax Code”** means the Internal Revenue Code of 1986, as amended, of the United States.

## **1.2 Interpretation**

- (a) Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.
- (b) This Plan is established under and the provisions of this Plan shall be interpreted and construed in accordance with the laws of British Columbia.

## **1.3 Purpose**

The purpose of this Plan is to promote the interests of the Corporation by (i) providing Optionholders with additional incentive, (ii) increasing the proprietary interest of Optionholders in the success of the Corporation, (iii) encouraging the Optionholders to continue to act as a director, officer, employee or Consultant, as the case may be, of the Corporation or a subsidiary of the Corporation and (iv) attracting new directors, officers, employees and Consultants.

## **1.4 Amended and Restated**

This Plan amends and restates in its entirety, as of December 30, 2020, the 2012 stock option plan of the Corporation, approved by the Corporation’s shareholders on May 11, 2012 (the **“Original Plan”**). Any reference to **“Plan”** in the Original Plan and any document delivered in connection therewith, or pursuant thereto, will mean this Plan, as amended and restated hereby.

## **1.5 Administration**

- (a) This Plan shall be administered by the Board or a committee of the Board consisting of not less than three directors duly authorized by the Board to administer this Plan; provided, however, that a committee of the Board shall not have the authority to terminate or amend this Plan in accordance with Section 3.1. If a committee is authorized for this purpose, all references to the Board (except references to the Board in Section 3.1) will be deemed to be references to such committee.
- (b) Subject to the limitations of this Plan, the Board shall have the authority:
  - (i) to grant Options to purchase Common Shares to Eligible Persons;
  - (ii) to determine the terms, limitations, restrictions and conditions respecting such Options;
  - (iii) to interpret this Plan and to adopt, amend and rescind such Administrative Guidelines and other rules and regulations relating to this Plan as it shall from time to time deem advisable;
  - (iv) to construe and interpret this Plan and the Options granted thereunder; and
  - (v) to make all other determinations and to take all other actions in connection with the implementation and administration of this Plan as it may deem necessary or advisable.
- (c) The interpretation by the Board of any of the provisions of this Plan and any determination by it pursuant thereto shall be final and conclusive and shall be binding on all Optionholders, the Corporation and any subsidiary of the Corporation and shall not be subject to any dispute by any Optionholder or Eligible Person. No member of the Board or any person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination in connection with this Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification by the Corporation in respect of any claim, loss, damage or expense (including legal fees and disbursements) arising with respect to any such action or determination to the fullest extent permitted by law.

## **1.6 Compliance with Legislation**

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell and deliver Common Shares upon exercise of Options shall be subject to all applicable federal, provincial, territorial and foreign laws, rules and regulations, including all applicable corporate, securities and income tax laws (including any applicable provisions of the *Income Tax Act* (Canada), the U.S. Tax Code and income tax legislation of any other jurisdiction (including any jurisdiction within Canada or the United States, such as a province, state or territory) and the regulations thereunder), in each case as the same may from time to time be amended, the rules and regulation of any stock exchange on which the Common Shares are listed for trading and to such approvals by any regulatory authority or governmental agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obliged by any provision of this Plan or the grant of any Option hereunder to issue or sell Common Shares in violation of such laws, rules and

regulations or any condition of such approvals. No Option shall be granted and no Common Shares issued or sold hereunder where such grant, issue or sale would require registration of this Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any Option or issue or sale of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to issue any Common Shares pursuant to this Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading. Common Shares issued and sold to Optionholders pursuant to the exercise of Options may be subject to limitations on sale or resale under applicable securities laws and, if deemed necessary or expedient by the Board, the certificates representing the Options or Common Shares issued upon the exercise of Options shall have a legend pertaining to such restriction.

- (b) Without limiting the generality of the foregoing or any other provision hereof, (i) the Corporation may take such steps and require such documentation from Optionholders as the Board may from time to time in good faith determine are necessary or desirable to ensure compliance with all applicable laws and the terms of this Plan and (ii) in taking any action under this Plan, or in relation to any rights or benefits hereunder, the Corporation and each Optionholder shall comply with all provisions and requirements of any income tax legislation or regulations of any jurisdiction which may be applicable to the Corporation or holder, as the case may be.
- (c) The Corporation may withhold and deduct, or cause to be withheld and deducted, any amount the Corporation is required by applicable law to withhold or deduct on account of income taxes or other deductions required by any Canadian or foreign, federal, provincial, territorial, state or local taxing authorities or other amounts required by law to be withheld in relation to the grant or exercise of any Option under this Plan.
- (d) The Corporation shall have the right to require, in connection with exercise of any Option, payment by the applicable Optionholder of any amount the Corporation is required to withhold or deduct as contemplated in Section 1.6(c) in order to satisfy all tax obligations, including withholding obligations, in connection with such exercise and any payment or benefit under this Plan in respect thereof.
- (e) The Corporation shall have the right to sell, or arrange for the sale, in the market or as the Corporation may determine, on behalf of any Optionholder, such portion of any Common Shares issuable to such Optionholder on exercise of any Option as the Corporation may determine, in order to realize net cash proceeds sufficient to permit the Corporation to pay any amount the Corporation is required to withhold or deduct as contemplated in Section 1.6(c) (the “**Tax Withholding Amount**”) and shall have the right to withhold, or cause to be withheld, or deduct, or cause to be deducted, from such proceeds any or all of such Tax Withholding Amount. Unless the Board otherwise determines, such Optionholder shall be responsible for paying all transaction costs, including brokerage commissions or similar fees (collectively, the “**Transaction Costs**”), in connection with such sales and the Corporation may authorize any investment bank or other person selling Common Shares on behalf of such Optionholder to sell additional Common Shares on behalf of such Optionholder in order to realize sufficient proceeds to pay such Transaction Costs and such investment bank or other person shall be entitled to so sell such additional shares on behalf of the such Optionholder and deduct from the proceeds of such sale such Transaction Costs. If any investment bank or other person sells any Common Shares on behalf of an

Optionholder as contemplated in this Section 1.6(e), any net amount after deduction of the Tax Withholding Amount and Transaction Costs shall be paid to the Optionholder.

- (f) The Corporation may take such other action as the Board may consider advisable to enable the Corporation and any Optionholder to satisfy obligations for the payment of withholding or other tax obligations in connection with the grant or exercise of any Option under this Plan.
- (g) Each Optionholder (or the Optionholder's legal representatives) shall bear and be responsible for any and all income or other tax imposed in respect of the grant and exercise of any Option under this Plan and in respect of any amount payable to or benefit received or deemed to be received by such Optionholder (or legal representative) under this Plan. Each Optionholder shall be responsible for reporting and paying all income and other taxes applicable to or payable in respect of any Option granted to the Optionholder, any exercise of such Option, and any transactions involving Common Shares which may be issued on exercise of any Option, and any dividends or distributions in respect thereof, or proceeds from any sale or disposition thereof, including, without limitation, any taxes payable in respect of any sale or disposition of Common Shares made by or on behalf of the holder (including as contemplated in Section 1.6(e)).
- (h) If the Corporation does not withhold any amount or require payment of an amount by an Optionholder (or legal representative) sufficient to satisfy all income tax obligations referred to in Section 1.6(c), the Optionholder (or legal representative) shall forthwith make reimbursement, on demand, in cash, of any amount paid by the Corporation in satisfaction of any such obligation.

## **1.7 Effective Date**

- (a) This Plan is effective on the Effective Date.
- (b) Notwithstanding Section 1.7(a), this Plan is subject to the approval of the Exchange and the affirmative vote of a majority of the votes attached to the Common Shares of the Corporation entitled to vote and represented and voted at an annual or special meeting of the holders of such Common Shares held, among other things, to consider and approve this Plan, and, until such approvals are obtained, Options granted under this Plan shall not be exercisable.

## **1.8 No Fractional Shares**

No fractional Common Shares shall be issued upon the exercise of Options and, accordingly, if an Optionholder would otherwise become entitled to a fractional Common Share upon the exercise of an Option, such Optionholder shall only have the right to purchase the next lowest whole number of Common Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

## **1.9 Miscellaneous**

- (a) Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements.

- (b) Nothing contained in this Plan or any Option granted hereunder shall be deemed to give any Optionholder any interest or title in or to any Common Shares of the Corporation or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever other than as set forth in this Plan and pursuant to the exercise of any Option granted hereunder.
- (c) Participation in this Plan is voluntary and this Plan does not give any Eligible Person the right or obligation to or to continue to serve as a director, officer, employee or Consultant, as the case may be, of the Corporation or any subsidiary of the Corporation. The granting of Options to any Eligible Person is a matter to be determined in the discretion of the Board. This Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Corporation or any of its subsidiaries other than as specifically provided for in this Plan.
- (d) The grant of any Option shall be conditional upon the Eligible Person to whom such Option is granted completing, signing and delivering to the Corporation all documents as may be required by any regulatory authorities having jurisdiction over the Corporation.
- (e) The Board shall have the authority to adopt such sub-plans, procedures and guidelines as may be necessary or desirable to comply with provisions of the laws of any country in which the Corporation or its subsidiaries may operate to assure the viability of the benefits from Options granted to Optionholder performing services in such country to meet the objectives of this Plan.

## **SECTION 2 - OPTIONS**

### **2.1 Previously Granted Options**

All the outstanding stock options that were previously granted by the Corporation pursuant to the Original Plan shall, effective as of the Effective Date, be governed by and subject to the terms of this Plan.

### **2.2 Grants and Eligibility**

Options may be granted under this Plan to any Eligible Person. Subject to the provisions of this Plan, the Board shall have the authority to determine the limitations, restrictions and conditions, if any, in addition to or in variation of those set forth in Section 2.5, applicable to the exercise of an Option. The Corporation may grant Options under this Plan to an Eligible Person on more than one occasion. In the case of Options granted to employees or Consultants of the Corporation, the Corporation must represent in the applicable Option Certificate that such employee or Consultant is a bona fide employee or Consultant of the Corporation or a subsidiary of the Corporation.

### **2.3 Exercise Price**

- (a) The exercise price of any Option granted under this Plan shall be determined by the Board at the time of grant; provided, however, that the exercise price of any Option granted under this Plan shall not be less than:
  - (i) at any time during which the Common Shares are listed and posted for trading on the Exchange, the Discounted Market Price (as calculated on the date of grant); and

- (ii) at any other time, the fair market value of the Common Shares as determined by the Board in its sole discretion, subject to the rules and regulations of any regulatory authority, including any organized trading facility on which the Common Shares are listed and posted for trading, having jurisdiction over the Corporation.

## **2.4 Number of Common Shares Reserved for Issuance**

- (a) The maximum number of Common Shares issuable under this Plan shall not exceed 10% of the number of Common Shares issued and outstanding as of each Award Date. Notwithstanding the foregoing, the number of Common Shares underlying Options that have been cancelled, that have expired without being exercised in full, and that have been issued upon exercise of Options shall not reduce the number of Common Shares issuable under this Plan and shall again be available for issuance hereunder.
- (b) Without limiting the generality of Section 2.4(a):
  - (i) The maximum number of Common Shares which may be issuable, at any time, to Insiders under this Plan, together with any other Common Share-based compensation arrangements of the Corporation, shall be 10% of the total number of Common Shares issued and outstanding. The maximum number of Common Shares which may be issued, within any one-year period, to Insiders under this Plan, together with any other Common Share-based compensation arrangements of the Corporation, shall be 10% of the total number of Common Shares issued and outstanding.
  - (ii) The total number of Options awarded to any one individual in any twelve month period shall not exceed 5% of the issued and outstanding Common Shares of the Corporation at the Award Date unless the Corporation has obtained disinterested shareholder approval as required by the Exchange.
  - (iii) The total number of Options awarded to any one Consultant of the Corporation in any twelve month period shall not exceed 2% of the issued and outstanding Common Shares of the Corporation at the Award Date unless consent is obtained from the Exchange.
  - (iv) The total number of Options awarded to all persons retained by the Corporation to provide Investor Relations Activities shall not exceed 2% of the issued and outstanding Common Shares of the Corporation, in any twelve month period, calculated at the Award Date unless consent is obtained from the Exchange. Options granted to persons retained to provide Investor Relations Activities will vest in stages over not less than 12 months with no more than one quarter of the Options vesting in any 3 month period.

## **2.5 Expiry Date and Vesting Schedule**

- (a) The Board shall establish the expiry date of an Option at the time each Option is granted, subject to the following conditions:
  - (i) the Option will expire upon the occurrence of any event set out in Sections 2.6(a) to 2.6(d) and at the time period set out therein;

- (ii) an Option can be exercisable for a maximum of 10 years from the Award Date, unless prohibited by the Exchange's policies or rules and regulations of the applicable regulatory authorities.
- (b) Any additional terms, conditions and limitations relating to the exercise of any Option granted under this Plan, including terms, conditions and limitations providing that an Option may not be exercised except in accordance with terms, condition and limitations based on the passage of time, the satisfaction of performance criteria relating to the Corporation or holder of such Option or any combination thereof, shall be determined by the Board at the time of grant; provided, however, that all Options must vest in stages over a period of at least 18 months, with no more than  $\frac{1}{4}$  of any such Options vesting in any three month period.
- (c) Subject to the requirement set forth in Section 2.5(a) that all Options must vest in stages over a period of at least 18 months, with no more than  $\frac{1}{4}$  of any such Options vesting in any three month period, the Board may, in its sole discretion (and notwithstanding any terms, conditions or limitations relating to an Option previously imposed by the Board), allow any Optionholder to purchase all or any of the Common Shares reserved for issuance in connection with the exercise of an Option if the Board determines to permit the holder of such Option to exercise certain of its rights to acquire Common Shares under such Option.

## **2.6 Termination of Options**

An Option granted under this Plan will terminate on the earlier of (i) the expiry date established with respect to such Option pursuant to Section 2.5 or (ii) the date, if applicable, established by Sections 2.6(a) to 2.6(d) below:

(a) Death

If an Optionholder dies prior to the expiry of any Option granted to such Optionholder, the termination date for any vested portion or portions of such Options will be the date that is one year after the date of the Optionholder's death. The termination date for any unvested portion of such Options will be the date of the Optionholder's death.

(b) Disability

If an Optionholder becomes permanently disabled prior to the expiry of any Option granted to such Optionholder and ceases to be an Eligible Person as a consequence of such disability, the termination date for any vested portion or portions of such Options will be the date that is six months after the Optionholder ceases to be an Eligible Person. The termination date for any unvested portion of such Options will be the date on which the Optionholder ceases to be an Eligible Person.

(c) Ceasing to be an Eligible Person

- (i) If an Optionholder ceases to be an Eligible Person prior to the expiry of any Option granted to such Optionholder for reasons other than death or permanent disability, the termination date for any vested portion of such Options will be the date that is 90 days after the date on which the Optionholder ceases to be an Eligible Person; provided, however, that:

- A. the termination date for any Options granted to an Eligible Person employed to provide Investor Relation Activities will be the date that is 30 days after the date on which the Optionholder ceases to be an Eligible Person; and
- B. if the Optionholder ceases to be an Eligible Person as a result of being terminated for Cause, in the case of an employee, ceasing to meet the qualifications for such position under applicable law or being removed from office in accordance with applicable law, in the case of a director or officer, the termination date will be the date on which the Optionholder ceases to be an Eligible Person.

The termination date for any unvested portion of such Options will be the date on which the Optionholder ceases to be an Eligible Person.

- (ii) An Optionholder shall be considered to have ceased to be an Eligible Person on (x) the actual date of termination of employment, in the case of an employee, (y) on the date the Optionholder ceases to hold office, in the case of a director or officer and (z) on the termination date of the Optionholder's contract as a consultant, in the case of a Consultant; provided, however, that if an Optionholder gives notice of resignation as a director, officer, employee or Consultant of the Corporation or a subsidiary of the Corporation or is given notice of termination of employment or engagement by the Corporation or a subsidiary of the Corporation, the Optionholder shall be considered to have ceased to be an Eligible Person on the date on which the Optionholder ceases actually to actively perform the duties of the Optionholder's position as a director, officer or employee, or provide services as a Consultant, as applicable, and for greater certainty, such date shall not be extended or deemed to be extended to take into account any period during which the Optionholder is in receipt or eligible to receive any statutory, contractual or common law notice or compensation in lieu thereof or severance payment following the date the Optionholder ceases actively to provide duties for or provide services to the Corporation or a subsidiary of the Corporation. A change in the duties, title or office of an Optionholder, in the case of a director, officer or employee, or an amendment, renewal or expiry of the contract which governs the provision of services by an Optionholder, in the case of a Consultant, shall not constitute that Optionholder ceasing to be an Eligible Person, except as may be otherwise determined by the Board.

(d) Black-Out Periods

Notwithstanding anything to the contrary in this Section 2.6(d), should the expiry date for an Option fall within a Blackout Period, or within nine (9) business days following the expiration of a Blackout Period, such expiry date shall be automatically extended without any further act or formality to that day which is the tenth (10th) business day after the end of the Blackout Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan.

**2.7 Additional Terms**

Subject to all applicable securities laws and the rules and regulations of any regulatory authority, including any organized trading facility on which the Common Shares are listed and posted for trading, having

jurisdiction over the Corporation, the Board may attach such other terms, conditions and limitations to any Option granted under this Plan as the Board may deem appropriate at the time of grant.

## 2.8 Adjustments and Change of Control

- (a) If at any time while an Option remains unexercised with respect to any Common Shares underlying the Option, the Common Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for (any of the foregoing events, a “**Share Capital Event**”), the Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Share Capital Event in the manner the Board in its sole discretion deems appropriate. No fractional shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Share Capital Event, an Optionholder would become entitled to a fractional share, such Optionholder shall have the right to purchase only the next lowest whole number of shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded. Additionally, no lots of Common Shares in an amount less than 100 Common Shares shall be issued upon the exercise of the Options unless such amount of Shares represents the balance left to be exercised under the Options.
- (b) If at any time when an Option remains unexercised with respect to any Common Shares underlying the Option:
- (i) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or
  - (ii) a third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event;

the Corporation shall notify the Optionholder in writing of such transaction, offer or proposal as soon as practicable and: (i) the Board may permit the Optionholder to exercise the Option, as to all or any of the Common Shares in respect of which such Option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the Option), so that the Optionholder may participate in such transaction, offer or proposal; and (ii) the Board may require the acceleration of the time for the exercise of the Option and of the time for the fulfilment of any conditions or restrictions on such exercise. Any proposed acceleration of vesting provisions is subject to the policies and necessary approvals of the Exchange, if applicable.

For the purposes of this Plan an “**Acceleration Event**” means:

- (iii) the acquisition by any person or any persons acting jointly or in concert, directly or indirectly, of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
- (iv) any plan of arrangement, amalgamation, consolidation, merger or other business combination of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same

- proportionate ownership of stock of the surviving corporation immediately after the merger;
- (v) any sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation;
  - (vi) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation; or
  - (vii) any other transaction that is deemed to be an “Acceleration Event” for the purposes of this Plan by the Board in its sole discretion.
- (c) Notwithstanding any other provision of this Plan or the terms of any Option, if at any time when an Option remains unexercised with respect to any Common Shares underlying the Option and the Corporation completes any transaction which constitutes an Acceleration Event, all outstanding unvested Options shall automatically vest.

## **2.9 U.S. Participants**

- (a) Any Option granted under this Plan to a U.S. Participant may be an incentive stock option within the meaning of the Section 422 of the U.S. Tax Code (an “**ISO**”), but only if so designated by the Corporation in the Option Certificate. No provision of this Plan, as it may be applied to a U.S. Participant with respect to Options which are designated as ISOs, shall be construed so as to be inconsistent with any provision of Section 422 of the Code or the Treasury Regulations thereunder. Grants of Options to U.S. Participants which are not designated as or otherwise do not qualify as ISOs will be treated as nonstatutory stock options for U.S. federal tax purposes. Notwithstanding anything in this Plan contained to the contrary, the following provisions shall apply to ISOs granted to each U.S. Participant:
- (i) ISOs shall only be granted to individual U.S. Participants who are, at the time of grant, employees of the Corporation within the meaning of the Code;
  - (ii) any director of the Corporation who is a U.S. Participant shall be ineligible to vote with respect to the granting of such Option;
  - (iii) the aggregate fair market value (determined as of the time an ISO is granted) of the Common Shares subject to ISOs exercisable for the first time by a U.S. Participant during any calendar year under this Plan and all other stock option plans, within the meaning of Section 422 of the Code, of the Corporation shall not exceed One Hundred Thousand Dollars in U.S. funds (U.S.\$100,000);
  - (iv) the exercise price of an ISO granted to a U.S. Participant pursuant to this Plan shall be not less than fair market value of the Common Shares at the time such ISO is granted (unless such ISO is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 424(a) of the Code);
  - (v) if any U.S. Participant to whom an ISO is to be granted under this Plan at the time of the grant of such ISO is the owner of shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Corporation, then the following special provisions shall be applicable to the ISO granted to such individual:

- (vi) the exercise price of such ISO shall not be less than 110% of the fair market value of one Common Share at the time of grant; and
  - (vii) the ISO shall expire no later than five years after the date of grant;
  - (viii) no ISO may be granted to a U.S. Participant following the earlier of (i) the Effective Date and (ii) the date which is 10 years after the date on which this Plan is approved by the shareholders of the Corporation;
  - (ix) no ISO granted to a U.S. Participant under this Plan shall become exercisable unless and until this Plan shall have been approved by the shareholders of the Corporation; and
  - (x) the maximum number of Common Shares which may be issued under this Plan as ISOs shall not exceed 5% of the total number of Common Shares issued and outstanding (on a non-diluted basis) at the time of any grant.
- (b) Options may be granted under this Plan to Consultants in the United States only if such Consultants are natural persons providing bona fide services to the Corporation or a majority-owned subsidiary of the Corporation and such services are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Corporation's securities.

## **2.10 Incorporation of Terms of Stock Option Plan**

Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of each Option granted under this Stock Option Plan.

## **2.11 Exercise of Options**

- (a) An Option may be exercised only by the Optionholder or the Personal Representative of such Optionholder. An Option may be exercised, in whole or in part (subject to any applicable exercise restrictions), at any time or from time to time up to 5:00 p.m. (Vancouver time) on its expiry date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a cheque or bank draft payable to the Corporation in an amount equal to the aggregate Exercise Price of the Common Shares to be purchased pursuant to the exercise of the Option.
- (b) As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Optionholder (or the Personal Representative of such Optionholder) a share certificate for the Common Shares so purchased. If the number of Common Shares so purchased is less than the number of Common Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Optionholder (or the Personal Representative of such Optionholder) concurrently with delivery of the aforesaid share certificate for the balance of the Common Shares available under the Option.

## **2.12 Exchange Hold Period's and Resale Restrictions**

If required by the policies of the Exchange, the certificate representing the Options and any certificate representing Common Shares issued upon the exercise of such Options (if exercised prior to the expiry of the Exchange Hold Period) will bear the following Exchange Hold Period legend:

“Without prior written approval of TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until *[insert date that is four months and a day after the distribution date]*.”

## **2.13 Assignment of Options**

Options shall not be transferable or assignable; provided, however, that the Personal Representative of an Optionholder may exercise an Option in accordance with its terms.

### **SECTION 3 — AMENDMENT AND TERMINATION**

#### **3.1 Amendment**

- (a) Subject to paragraphs (b) and (c) and any applicable regulatory approval, the Board may from time to time amend this Plan and the terms and conditions of any Option previously awarded or thereafter to be awarded, without consent or approval from any Optionholder or shareholder of the Corporation, and, without limiting the generality of the foregoing, may make such amendments for the purpose of complying with any changes in any relevant law, Exchange policy, rule or regulation applicable to this Plan, any Option or the Common Shares, or for any other purpose which the Board may deem desirable or necessary and may be permitted by all relevant laws, rules and regulations, provided always that any such amendment shall not materially impair any right of any Optionholder pursuant to any Option awarded prior to such amendment.
- (b) Notwithstanding any provisions to the contrary, the Board may only amend the provisions of this Plan relating to the following if the Board obtains the approval of the shareholders of the Corporation in respect thereof:
  - (i) persons eligible to be granted Options under this Plan;
  - (ii) the maximum number or percentage of Common Shares reserved for issuance upon exercise of Options available under this Plan;
  - (iii) the limitations on grants of Options to any one person, Insiders, Consultants, or persons involved in Investor Relations Activities;
  - (iv) the method for determining the Exercise Price for Options;
  - (v) the maximum term of Options;
  - (vi) the expiry and termination provisions applicable to Options; or
  - (vii) any amendment to this section 3.1.

- (c) If required by exchange policies, the Corporation will obtain disinterested shareholder approval of Options if this Plan, together with any other share-based compensation arrangement, could result at any time in:
- (i) the aggregate number of Common Shares reserved for issued under Options granted to Insiders (as a group) exceeding 10% of the issued Common Shares;
  - (ii) the grant to Insiders (as a group), within a 12-month period, of an aggregate number of Options exceeding 10% of the issued Common Shares, calculated at the date an option is granted to any Insider;
  - (iii) the issuance to any one Optionholder, within a 12-month period, of a number of Common Shares reserved for issuance under Options exceeding 5% of the issued Common Shares; or
  - (iv) the Corporation is decreasing the Exercise Price of Options previously granted to Insiders.

### **3.2 Shareholder Approval**

This Plan must be approved by the Corporation's shareholders annually, at a duly called meeting of the shareholders.

### **3.3 Termination**

The Board may terminate this Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Optionholder pursuant to any Option awarded prior to the date of such termination and notwithstanding such termination, the Corporation, such Options and such Optionholders shall continue to be governed by the provisions of this Plan.

iCo THERAPEUTICS INC.

AMENDED AND RESTATED STOCK OPTION PLAN (~~2012~~2020)

~~Initially approved by the Board of Directors on October 30, 2007 and, as amended, on April 30, 2009, December 22, 2010 and March 7, 2012.~~

~~Initially approved by the Shareholders on November 30, 2007 and, as amended, on June 5, 2009 and May 11, 2012.~~

## SECTION 1 - GENERAL PROVISIONS

### 1.1 Definitions

For the purpose of this Plan, the following terms shall have the following meanings:

- (a) [“Acceleration Event”](#) has the meaning ascribed thereto in [Section 2.8\(b\)](#);
- (b) ~~(a)~~ **“Administrative Guidelines”** means the administrative guidelines relating to this Plan, which may include guidelines regarding the terms, limitations, restrictions and conditions for the grant of Options, as may be approved by the Board from time to time;
- (c) ~~(b)~~ **“Administrator”** means, initially, the chief financial officer of the Corporation and thereafter shall mean such director, officer or employee of the Corporation as may be designated from time to time, as Administrator by the Board;
- ~~(e)~~ **“Arrangement Agreement”** means ~~the arrangement agreement dated October 15, 2007, as amended and restated on October 26, 2007, between the corporation previously known as iCo Therapeutics Inc., Beanstalk Capital Ltd. (as the Corporation was previously known) and 4448073 Canada Inc.;~~
- (d) ~~“Board”~~ means ~~the board of directors of the Corporation;~~ [“Award Date”](#) means, in respect of a particular Option, the date on which the Board grants the Option;
- (e) **“Blackout Period”** means any period during which a policy of the Corporation prohibits or prevents any Optionholder from exercising an Option or trading in securities of the Corporation;
- (f) [“Board”](#) means [the board of directors of the Corporation;](#)
- (g) ~~(f)~~ **“business day”** means a day other than Saturday, Sunday or any other day which is a statutory holiday in British Columbia or on which the Common Shares are not available for trading on the facilities of the Exchange;
- (h) ~~(g)~~ **“Cause”** has (i) the meaning ascribed thereto in the written employment agreement between the Corporation and the Optionholder or (ii) in the event that there is no such written agreement or Cause is not defined in such agreement, the usual meaning of just cause under the laws (including the common law) of the jurisdiction in which the Optionholder is employed;
- (i) ~~(h)~~ **“Common Shares”** means the common shares of the Corporation as currently constituted;
- ~~(i)~~ **“Consolidation”** means ~~the consolidation of the Common Shares on a 2.8:1 basis immediately prior to the adoption by the Corporation of this Plan;~~
- ~~(j)~~ **“Corporation”** means [iCo Therapeutics Inc.;](#)
- (j) ~~(k)~~ **“Consultant”** means:

- (i) an individual (an **“Individual Consultant”**) other than a director, officer or employee of the Corporation or a subsidiary of the Corporation that (a) is engaged to provide, on an ongoing basis, consulting, technical or other services to the Corporation or a subsidiary of the Corporation, other than services provided in relation to a distribution, (b) provides the services under a written contract with the Corporation or a subsidiary of the Corporation, (c) in the reasonable opinion of the Board, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or any of its subsidiaries and (d) has a relationship with the Corporation that enables such person to be knowledgeable about the business and affairs of the Corporation; or
- (ii) any corporation of which an Individual Consultant is an employee or shareholder or any partnership of which an Individual Consultant is an employee or partner;
- (k) **“Corporation”** means [iCo Therapeutics Inc.](#);
- (l) **“Discounted Market Price”** has the meaning ascribed thereto in the TSXV Corporate Finance Manual;
- ~~(m) **“Effective Amendment Date”** means May 11, 2012;~~
- (m) ~~(n)~~ **“Effective Date”** means December ~~31, 2007~~ [2020](#);
- ~~(o) **“Exchange”** means the TSX Venture Exchange;~~
- (n) ~~(p)~~ **“Eligible Person”** means, subject to all applicable laws, any director, officer, employee (whether part-time or full-time) or Consultant of the Corporation or a subsidiary of the Corporation;
- (o) **“Exchange”** means the [TSX Venture Exchange](#);
- (p) **“Exchange Hold Period”** means [a four month resale restriction imposed by the Exchange on:](#)
  - (i) [the Common Shares issued upon the exercise of an Option held by an Insider;](#)  
[and](#)
  - (ii) [the Options granted under this Plan with an exercise price that is less than the applicable Market Price.](#)
- (q) **“Exercise Notice”** means the notice to be delivered to the Administrator in connection with the exercise of all or any portion of an Option, in the form set out as Schedule “B” hereto, duly executed by the holder thereof;
- (r) ~~**“Existing Options”** means the 216,071 stock options (post Consolidation) granted to directors and officers of the Corporation and a charity effective June 19, 2006 and December 1, 2006, respectively, pursuant to stock option agreements entered into between the Corporation and each such Optionholders;~~ **“Exercise Price”** means [the price at which an Option may be exercised as determined in accordance with Section 2.3;](#)

- (s) [“Insider” means \(i\) a director or senior officer of the Corporation, \(ii\) a director or senior officer of a company that is an Insider or subsidiary of the Corporation, \(iii\) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation; or \(iv\) the Corporation itself if it holds any of its own securities;](#)
- (t) ~~(s)~~ **“Investor Relations Activities”** has the meaning ascribed to such term in the TSXV Corporate Finance Manual;
- (u) ~~(t)~~ **“ISO”** has the meaning ascribed to such term in Section ~~2.82.9~~;
- (v) [“Market Price” has the meaning ascribed to such term in the TSXV Corporate Finance Manual;](#)
- (w) ~~(u)~~ **“Option”** means an option to purchase Common Shares granted to an Eligible Person pursuant to the terms of this Plan;
- (x) ~~(v)~~ **“Option Certificate”** means, with respect to any Option, a certificate evidencing such Option in the form set out as Schedule “A” hereto or such other form as may be approved by the Board at the time of the grant of the Option;
- (y) ~~(w)~~ **“Optionholders”** means the holders of Options granted under this Plan and “Optionholder” means any one of them;
- (z) [“Original Plan” has the meaning ascribed to such term in Section 1.4;](#)
- (aa) ~~(x)~~ **“Personal Representative”** means:
- (i) in the case of a deceased Optionholder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
  - (ii) in the case of an Optionholder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Optionholder;
- (bb) ~~(y)~~ **“Plan”** means this ~~Stock Option Plan of the Corporation~~ [stock option plan, as it may be amended from time to time;](#)
- ~~(z) “Roll-Over Options” means options granted under this Plan in accordance with the terms of Arrangement Agreement;~~
- (cc) [“Share Capital Event” has the meaning ascribed to such term in Section 2.8\(a\);](#)
- (dd) ~~(aa)~~ **“subsidiary”** of any issuer means a person that is controlled by the issuer or is controlled by the same person that controls the issuer, where a person shall be considered to control another a person as such expression is interpreted in Part 2, Division 4 of National Instrument 45-106 — Prospectus and Registration Exemptions;
- ~~(bb) “Tier 2 Issuer” has the meaning ascribed thereto in the TSXV Corporate Finance Manual;~~

(ee) ~~(ee)~~ “**U.S. Participant**” means an Eligible Person who is a citizen or resident of the United States; and

(ff) ~~(dd)~~ “**U.S. Tax Code**” means the Internal Revenue Code of 1986, as amended, of the United States.

## 1.2 Interpretation

- (a) Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.
- (b) This Plan is established under and the provisions of ~~the~~this Plan shall be interpreted and construed in accordance with the laws of British Columbia.

## 1.3 Purpose

The purpose of this Plan is to promote the interests of the Corporation by (i) providing Optionholders with additional incentive, (ii) increasing the proprietary interest of Optionholders in the success of the Corporation, (iii) encouraging the Optionholders to continue to act as a director, officer, employee or Consultant, as the case may be, of the Corporation or a subsidiary of the Corporation and (iv) attracting new directors, ~~officer, employee~~officers, employees and Consultants.

## 1.4 Amended and Restated

This Plan amends and restates in its entirety, as of December 30, 2020, the 2012 stock option plan of the Corporation, approved by the Corporation’s shareholders on May 11, 2012 (the “Original Plan”). Any reference to “Plan” in the Original Plan and any document delivered in connection therewith, or pursuant thereto, will mean this Plan, as amended and restated hereby.

## 1.5 ~~1.4~~ Administration

- (a) This Plan shall be administered by the Board or a committee of the Board consisting of not less than three directors duly authorized by the Board to administer this Plan; provided, however, that a committee of the Board shall not have the authority to terminate or amend this Plan in accordance with Section 3.1. If a committee is authorized for this purpose, all references to the Board (except references to the Board in Section 3.1) will be deemed to be references to such committee.
- (b) Subject to the limitations of this Plan, the Board shall have the authority:
  - (i) to grant Options to purchase Common Shares to Eligible Persons;
  - (ii) to determine the terms, limitations, restrictions and conditions respecting such Options;
  - (iii) to interpret this Plan and to adopt, amend and rescind such Administrative Guidelines and other rules and regulations relating to this Plan as it shall from time to time deem advisable;
  - (iv) to construe and interpret this Plan and the Options granted thereunder; and

- (v) to make all other determinations and to take all other actions in connection with the implementation and administration of this Plan as it may deem necessary or advisable.
- (c) The interpretation by the Board of any of the provisions of this Plan and any determination by it pursuant thereto shall be final and conclusive and shall be binding on all ~~Optionholder~~Optionholders, the Corporation and any subsidiary of the Corporation and shall not be subject to any dispute by any Optionholder or Eligible Person. No member of the Board or any person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination in connection with this Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification by the Corporation in respect of any claim, loss, damage or expense (including legal fees and disbursements) arising with respect to any such action or determination to the fullest extent permitted by law.

## 1.6

### ~~1.5~~ **Compliance with Legislation**

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell and deliver Common Shares upon exercise of Options shall be subject to all applicable federal, provincial, territorial and foreign laws, rules and regulations, including all applicable corporate, securities and income tax laws (including any applicable provisions of the *Income Tax Act* (Canada), the U.S. Tax Code and income tax legislation of any other jurisdiction (including any jurisdiction within Canada or the United States, such as a province, state or territory) and the regulations thereunder), in each case as the same may from time to time be amended, the rules and regulation of any stock exchange on which the Common Shares are listed for trading and to such approvals by any regulatory authority or governmental agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obliged by any provision of this Plan or the grant of any Option hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals. No Option shall be granted and no Common Shares issued or sold hereunder where such grant, issue or sale would require registration of this Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any Option or issue or sale of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to issue any Common Shares pursuant to this Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading. Common Shares issued and sold to Optionholders pursuant to the exercise of Options may be subject to limitations on sale or resale under applicable securities laws and, if deemed necessary or expedient by the Board, the certificates representing the Options or Common Shares issued upon the exercise of Options shall have a legend pertaining to such restriction.
- (b) Without limiting the generality of the foregoing or any other provision hereof, (i) the Corporation may take such steps and require such documentation from Optionholders as the Board may from time to time in good faith determine are necessary or desirable to ensure compliance with all applicable laws and the terms of ~~the~~this Plan and (ii) in taking any action under ~~the~~this Plan, or in relation to any rights or benefits hereunder, the Corporation and each Optionholder shall comply with all provisions and requirements of any income tax legislation or regulations of any jurisdiction which may be applicable to the Corporation or holder, as the case may be.

- (c) The Corporation may withhold and deduct, or cause to be withheld and deducted, any amount the Corporation is required by applicable law to withhold or deduct on account of income taxes or other deductions required by any Canadian or foreign, federal, provincial, territorial, state or local taxing authorities or other amounts required by law to be withheld in relation to the grant or exercise of any Option under this Plan.
- (d) The Corporation shall have the right to require, in connection with exercise of any Option, payment by the applicable Optionholder of any amount the Corporation is required to withhold or deduct as contemplated in Section ~~4.5.1.6~~(c) in order to satisfy all tax obligations, including withholding obligations, in connection with such exercise and any payment or benefit under this Plan in respect thereof.
- (e) The Corporation shall have the right to sell, or arrange for the sale, in the market or as the Corporation may determine, on behalf of any Optionholder, such portion of any Common Shares issuable to such Optionholder on exercise of any Option as the Corporation may determine, in order to realize net cash proceeds sufficient to permit the Corporation to pay any amount the Corporation is required to withhold or deduct as contemplated in Section ~~4.5.1.6~~(c) (the “**Tax Withholding Amount**”) and shall have the right to withhold, or cause to be withheld, or deduct, or cause to be deducted, from such proceeds any or all of such Tax Withholding Amount. Unless the Board otherwise determines, such Optionholder shall be responsible for paying all transaction costs, including brokerage commissions or similar fees (collectively, the “**Transaction Costs**”), in connection with such sales and the Corporation may authorize any investment bank or other person selling Common Shares on behalf of such Optionholder to sell additional Common Shares on behalf of such Optionholder in order to realize sufficient proceeds to pay such Transaction Costs and such investment bank or other person shall be entitled to so sell such additional shares on behalf of the such Optionholder and deduct from the proceeds of such sale such Transaction Costs. If any investment bank or other person sells any Common Shares on behalf of an Optionholder as contemplated in this Section ~~4.5.1.6~~(e), any net amount after deduction of the Tax Withholding Amount and Transaction Costs shall be paid to the Optionholder.
- (f) The Corporation may take such other action as the Board may consider advisable to enable the Corporation and any Optionholder to satisfy obligations for the payment of withholding or other tax obligations in connection with the grant or exercise of any Option under this Plan.
- (g) Each Optionholder (or the Optionholder’s legal representatives) shall bear and be responsible for any and all income or other tax imposed in respect of the grant and exercise of any Option under ~~the~~this Plan and in respect of any amount payable to or benefit received or deemed to be received by such Optionholder (or legal representative) under ~~the~~this Plan. Each Optionholder shall be responsible for reporting and paying all income and other taxes applicable to or payable in respect of any Option granted to the Optionholder, any exercise of such Option, and any transactions involving Common Shares which may be issued on exercise of any Option, and any dividends or distributions in respect thereof, or proceeds from any sale or disposition thereof, including, without limitation, any taxes payable in respect of any sale or disposition of Common Shares made by or on behalf of the holder (including as contemplated in Section ~~4.5.1.6~~(e)).

- (h) If the Corporation does not withhold any amount or require payment of an amount by an Optionholder (or legal representative) sufficient to satisfy all income tax obligations referred to in Section ~~4.5~~1.6(c), the Optionholder (or legal representative) shall forthwith make reimbursement, on demand, in cash, of any amount paid by the Corporation in satisfaction of any such obligation.

**1.7**      ~~1.6~~ **Effective Date**

- (a) This Plan is effective on the Effective Date.
- (b) Notwithstanding Section ~~4.6~~1.7(a), this Plan is subject to the approval of the Exchange and the affirmative vote of a majority of the votes attached to the Common Shares of the Corporation entitled to vote and represented and voted at an annual or special meeting of the holders of such Common Shares held, among other things, to consider and approve this Plan, and, until such approvals are obtained, Options granted under this Plan shall not be exercisable.

**1.8**      ~~1.7~~ **No Fractional Shares**

No fractional Common Shares shall be issued upon the exercise of Options and, accordingly, if an Optionholder would otherwise become entitled to a fractional Common Share upon the exercise of an Option, such Optionholder shall only have the right to purchase the next lowest whole number of Common Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

**1.9**      ~~1.8~~ **Miscellaneous**

- (a) Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements.
- (b) Nothing contained in this Plan or any Option granted hereunder shall be deemed to give any Optionholder any interest or title in or to any Common Shares of the Corporation or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever other than as set forth in this Plan and pursuant to the exercise of any Option granted hereunder.
- (c) Participation in ~~the~~this Plan is voluntary and ~~the~~this Plan does not give any Eligible Person the right or obligation to or to continue to serve as a director, officer, employee or Consultant, as the case may be, of the Corporation or any ~~Subsidiary~~subsidiary of the Corporation. The granting of Options to any Eligible Person is a matter to be determined in the discretion of the Board. ~~The~~This Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Corporation or any of its subsidiaries other than as specifically provided for in ~~the~~this Plan.
- (d) The grant of any Option shall be conditional upon the Eligible Person to whom such Option is granted completing, signing and delivering to the Corporation all documents as may be required by any regulatory authorities having jurisdiction over the Corporation.
- (e) The Board shall have the authority to adopt such sub-plans, procedures and guidelines as may be necessary or desirable to comply with provisions of the laws of any country in

which the Corporation or its subsidiaries may operate to assure the viability of the benefits from Options granted to Optionholder performing services in such country to meet the objectives of this Plan.

~~1.9~~ ~~Effective Amendment Date~~

~~This Plan has been amended and restated with effect from the Effective Amendment Date.~~

**SECTION 2 - OPTIONS**

**2.1** **Previously Granted Options**

All the outstanding stock options that were previously granted by the Corporation pursuant to the Original Plan shall, effective as of the Effective Date, be governed by and subject to the terms of this Plan.

**2.2** **2.1 Grants and Eligibility**

Options may be granted under this Plan to any Eligible Person. Subject to the provisions of this Plan, the Board shall have the authority to determine the limitations, restrictions and conditions, if any, in addition to or in variation of those set forth in Section ~~2.4~~2.5, applicable to the exercise of an Option. The Corporation may grant Options under this Plan to an Eligible Person on more than one occasion. In the case of Options granted to employees or Consultants of the Corporation, the Corporation must represent in the applicable Option Certificate that such employee or Consultant is a bona fide employee or Consultant of the Corporation or a subsidiary of the Corporation. ~~For so long as the Corporation is a Tier 2 Issuer, or where the exercise price of an Option is based on the Discounted Market Price, any such Option granted under this Plan (other than Roll Over Options) must be legended with a four month Exchange hold period commencing on the date the Option is granted.~~

~~2.2~~ **Number of Common Shares Reserved for Issuance**

- ~~(a) Subject to adjustment as provided herein, the aggregate number of Common Shares which are reserved for issuance under Options granted under this Plan, including the 2,010,000 Existing Options outstanding as of the Effective Date, is 4,000,000.~~
- ~~(b) Without limiting the generality of Section 2.2(a):~~
  - ~~(i) the number of Common Shares which may be reserved for issuance under Options granted to any one person in any 12 month period under this Plan shall not exceed 5% of the total number of Common Shares issued and outstanding (on a non diluted basis) at the time of any grant.~~
  - ~~(ii) the number of Common Shares which may be reserved for issuance under Options granted to any one Consultant in any 12 month period under this Plan shall not exceed 2% of the total number of Common Shares issued and outstanding (on a non diluted basis) at the time of any grant.~~
  - ~~(iii) the number of Common Shares which may be reserved for issuance under Options granted to Eligible Person employed to provide Investor Relations Activities for the Corporation in any 12 month period must not exceed 2% of the total number of Common Shares issued and outstanding (on a non diluted basis) at the time of any grant.~~

~~(c) Any Common Shares reserved for issuance under an Option which is for any reason cancelled or terminated without having been exercised shall not be taken into account for purpose of calculating the number of Common Shares reserved for issuance under Sections 2.2(a) and 2.2(b).~~

## 2.3 Exercise Price

- (a) The exercise price of any Option granted under this Plan shall be determined by the Board at the time of grant; provided, however, that the exercise price of any Option granted under this Plan ~~(other than a Roll Over Option)~~ shall not be less than:
- (i) at any time during which the Common Shares are listed and posted for trading on the Exchange, the Discounted Market Price (as calculated on the date of grant); and
  - (ii) at any other time, the fair market value of the Common Shares as determined by the Board in its sole discretion, subject to the rules and regulations of any regulatory authority, including any organized trading facility on which the Common Shares are listed and posted for trading, having jurisdiction over the Corporation.

## 2.4 Number of Common Shares Reserved for Issuance

- (a) The maximum number of Common Shares issuable under this Plan shall not exceed 10% of the number of Common Shares issued and outstanding as of each Award Date. Notwithstanding the foregoing, the number of Common Shares underlying Options that have been cancelled, that have expired without being exercised in full, and that have been issued upon exercise of Options shall not reduce the number of Common Shares issuable under this Plan and shall again be available for issuance hereunder.
- (b) ~~The exercise price of any Roll Over Option granted under this Plan shall be the same as the exercise price of the option in exchange for which such Roll Over Option was issued pursuant to the Arrangement Agreement.~~ Without limiting the generality of Section 2.4(a):
- (i) The maximum number of Common Shares which may be issuable, at any time, to Insiders under this Plan, together with any other Common Share-based compensation arrangements of the Corporation, shall be 10% of the total number of Common Shares issued and outstanding. The maximum number of Common Shares which may be issued, within any one-year period, to Insiders under this Plan, together with any other Common Share-based compensation arrangements of the Corporation, shall be 10% of the total number of Common Shares issued and outstanding.
  - (ii) The total number of Options awarded to any one individual in any twelve month period shall not exceed 5% of the issued and outstanding Common Shares of the Corporation at the Award Date unless the Corporation has obtained disinterested shareholder approval as required by the Exchange.
  - (iii) The total number of Options awarded to any one Consultant of the Corporation in any twelve month period shall not exceed 2% of the issued and outstanding

Common Shares of the Corporation at the Award Date unless consent is obtained from the Exchange.

- (iv) The total number of Options awarded to all persons retained by the Corporation to provide Investor Relations Activities shall not exceed 2% of the issued and outstanding Common Shares of the Corporation, in any twelve month period, calculated at the Award Date unless consent is obtained from the Exchange. Options granted to persons retained to provide Investor Relations Activities will vest in stages over not less than 12 months with no more than one quarter of the Options vesting in any 3 month period.

## 2.5

### ~~2.4~~ Expiry Date and Vesting Schedule

- (a) The ~~term of any Option granted under this Plan shall be determined by the Board~~Board shall establish the expiry date of an Option at the time ~~of grant; provided, however, that all Options granted under this Plan must~~each Option is granted, subject to the following conditions:
- (i) ~~if the Corporation is a Tier 2 Issuer, expire no later than five years after the date of grant; or the Option will expire upon the occurrence of any event set out in Sections 2.6(a) to 2.6(e) and at the time period set out therein;~~  
if the Corporation is a Tier 2 Issuer, expire no later than five years after the date of grant; or the Option will expire upon the occurrence of any event set out in Sections 2.6(a) to 2.6(e) and at the time period set out therein;
- (ii) ~~in all other cases, expire no later than 10 years after the date of grant.~~an Option can be exercisable for a maximum of 10 years from the Award Date, unless prohibited by the Exchange's policies or rules and regulations of the applicable regulatory authorities.
- (b) Any additional terms, conditions and limitations relating to the exercise of any Option granted under this Plan, including terms, conditions and limitations providing that an Option may not be exercised except in accordance with terms, condition and limitations based on the passage of time, the satisfaction of performance criteria relating to the ~~Company~~Corporation or holder of such Option or any combination thereof, shall be determined by the Board at the time of grant; provided, however, that all Options ~~(other than Roll-Over Options)~~ must vest in stages over a period of at least 18 months, with no more than  $\frac{1}{4}$  of any such Options vesting in any three month period.
- (c) Subject to the requirement set forth in Section ~~2.4~~2.5(b) that all Options ~~(other than Roll-Over Options)~~ must vest in stages over a period of at least 18 months, with no more than  $\frac{1}{4}$  of any such Options vesting in any three month period, the Board may, in its sole discretion (and notwithstanding any terms, conditions or limitations relating to an Option previously imposed by the Board), allow any Optionholder to purchase all or any of the Common Shares reserved for issuance in connection with the exercise of an Option if the Board determines to permit the holder of such Option to exercise certain of its rights to acquire Common Shares under such Option.

## 2.6

### ~~2.5~~ Termination of Options

An Option granted under this Plan will terminate on the earlier of (i) the expiry date established with respect to such Option pursuant to Section ~~2.4~~2.5 or (ii) the date, if applicable, established by Sections ~~2.5~~2.6(a) to ~~2.5~~2.6(~~de~~) below:

(a) Death

If an Optionholder dies prior to the expiry of any Option granted to such Optionholder, the termination date for any vested portion or portions of such Options will be the date that is one year after the date of the Optionholder's death. The termination date for any unvested portion of such Options will be the date of the Optionholder's death.

(b) Disability

If an Optionholder becomes permanently disabled prior to the expiry of any Option granted to such Optionholder and ceases to be an Eligible Person as a consequence of such disability, the termination date for any vested portion or portions of such Options will be the date that is six months after the Optionholder ceases to be an Eligible Person. The termination date for any unvested portion of such Options will be the date on which the Optionholder ceases to be an Eligible Person.

(c) Ceasing to be an Eligible Person

(i) If an Optionholder ceases to be an Eligible Person prior to the expiry of any Option granted to such Optionholder for reasons other than death or permanent disability, the termination date for any vested portion of such Options will be the date that is 90 days after the date on which the Optionholder ceases to be an Eligible Person; provided, however, that:

A. the termination date for any Options granted to an Eligible Person employed to provide Investor Relation Activities will be the date that is 30 days after the date on which the Optionholder ceases to be an Eligible Person; and

B. if the Optionholder ceases to be an Eligible Person as a result of being terminated for Cause, in the case of an employee, ceasing to meet the qualifications for such position under applicable law or being removed from office in accordance with applicable law, in the case of a director or officer, the termination date will be the date on which the Optionholder ceases to be an Eligible Person.

The termination date for any unvested portion of such Options will be the date on which the Optionholder ceases to be an Eligible Person.

(ii) An Optionholder shall be considered to have ceased to be an Eligible Person on (x) the actual date of termination of employment, in the case of an employee, (y) on the date the Optionholder ceases to hold office, in the case of a director or officer and (z) on the termination date of the Optionholder's contract as a consultant, in the case of a Consultant; provided, however, that if an Optionholder gives notice of resignation as a director, officer, employee or Consultant of the Corporation or a subsidiary of the Corporation or is given notice of termination of employment or engagement by the Corporation or a subsidiary of the Corporation, the Optionholder shall be considered to have ceased to be an Eligible Person on the date on which the Optionholder ceases actually to actively perform the duties of the Optionholder's position as a director, officer or employee, or provide services as a Consultant, as applicable,

and for greater certainty, such date shall not be extended or deemed to be extended to take into account any period during which the Optionholder is in receipt or eligible to receive any statutory, contractual or common law notice or compensation in lieu thereof or severance payment following the date the Optionholder ceases actively to provide duties for or provide services to the Corporation or a subsidiary of the Corporation. A change in the duties, title or office of an Optionholder, in the case of a director, officer or employee, or an amendment, renewal or expiry of the contract which governs the provision of services by an Optionholder, in the case of a Consultant, shall not constitute that Optionholder ceasing to be an Eligible Person, except as may be otherwise determined by the Board.

(d) Black-Out Periods

Notwithstanding anything to the contrary in this Section ~~2.5~~2.6(d), ~~if should~~ the ~~termination of expiry date for~~ an Option ~~pursuant this Plan occurs during~~ fall within a Blackout Period, or within ~~2~~nine (9) business days following the expiration of a Blackout Period, ~~the such~~ expiry date ~~for such Option will be~~ shall be automatically extended without any further act or formality to that day which is the tenth (10th) business day after the end of ~~such~~the Blackout Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan.

2.7 ~~2.6~~ **Additional Terms**

Subject to all applicable securities laws and the rules and regulations of any regulatory authority, including any organized trading facility on which the Common Shares are listed and posted for trading, having jurisdiction over the Corporation, the Board may attach such other terms, conditions and limitations to any Option granted under this Plan as the Board may deem appropriate at the time of grant.

2.8 ~~2.7~~ **Corporate Adjustments and Change of Control**

~~Notwithstanding any other provision~~

(a) If at any time while an Option remains unexercised with respect to any Common Shares underlying the Option, the Common Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for (any of the foregoing events, a "Share Capital Event"), the Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Share Capital Event in the manner the Board in its sole discretion deems appropriate. No fractional shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Share Capital Event, an Optionholder would become entitled to a fractional share, such Optionholder shall have the right to purchase only the next lowest whole number of shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded. Additionally, no lots of Common Shares in an amount less than 100 Common Shares shall be issued upon the exercise of the Options unless such amount of Shares represents the balance left to be exercised under the Options.

(b) If at any time when an Option remains unexercised with respect to any Common Shares underlying the Option:

(i) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or

(ii) a third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event;

the Corporation shall notify the Optionholder in writing of such transaction, offer or proposal as soon as practicable and: (i) the Board may permit the Optionholder to exercise the Option, as to all or any of the Common Shares in respect of which such Option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the Option), so that the Optionholder may participate in such transaction, offer or proposal; and (ii) the Board may require the acceleration of the time for the exercise of the Option and of the time for the fulfilment of any conditions or restrictions on such exercise. Any proposed acceleration of vesting provisions is subject to the policies and necessary approvals of the Exchange, if applicable.

For the purposes of this Plan, ~~if there is a change in~~ an "Acceleration Event" means:

(iii) the acquisition by any person or any persons acting jointly or in concert, directly or indirectly, of beneficial ownership of more than 50% of the outstanding ~~Common Shares~~ voting securities of the Corporation, by ~~reason~~ means of ~~any stock dividend~~ a take-over bid or otherwise;

(iv) any ~~recapitalization~~ plan of arrangement, amalgamation, ~~subdivision,~~ consolidation, ~~merger or other business combination or exchange of shares, or other corporate change,~~ the Board shall, subject to any approvals required to be obtained from the Exchange or any other regulatory body, make such substitutions or adjustments as the Board in its sole discretion shall deem appropriate, including substitutions or adjustments in:

~~(a) the number or kind of shares or other securities reserved for issuance under the Plan;~~

- ~~(b) — the number and kind of shares or other securities to be issued in connection with the exercise of any unexercised Options theretofore granted; and~~
- ~~(c) — the exercise price of any unexercised Options theretofore granted.~~

~~If the Corporation is reorganized, amalgamated with another corporation or consolidated, the Board shall make such provisions for the protection of the rights of Participants as the Board in its discretion deems appropriate of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;~~

- (v) any sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation;
  - (vi) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation; or
  - (vii) any other transaction that is deemed to be an “Acceleration Event” for the purposes of this Plan by the Board in its sole discretion.
- (c) Notwithstanding any other provision of this Plan or the terms of any Option, if at any time when an Option remains unexercised with respect to any Common Shares underlying the Option and the Corporation completes any transaction which constitutes an Acceleration Event, all outstanding unvested Options shall automatically vest.

## 2.9

### ~~2.8~~ U.S. Participants

- (a) Any Option granted under this Plan to a U.S. Participant may be an incentive stock option within the meaning of the Section 422 of the U.S. Tax Code (an ‘ISO’), but only if so designated by the Corporation in the Option Certificate. No provision of this Plan, as it may be applied to a U.S. Participant with respect to Options which are designated as ISOs, shall be construed so as to be inconsistent with any provision of Section 422 of the Code or the Treasury Regulations thereunder. Grants of Options to U.S. Participants which are not designated as or otherwise do not qualify as ISOs will be treated as nonstatutory stock options for U.S. federal tax purposes. Notwithstanding anything in this Plan contained to the contrary, the following provisions shall apply to ISOs granted to each U.S. Participant:
  - (i) ISOs shall only be granted to individual U.S. Participants who are, at the time of grant, employees of the Corporation within the meaning of the Code;
  - (ii) any director of the Corporation who is a U.S. Participant shall be ineligible to vote with respect to the granting of such Option;
  - (iii) the aggregate fair market value (determined as of the time an ISO is granted) of the Common Shares subject to ISOs exercisable for the first time by a U.S. Participant during any calendar year under this Plan and all other stock option plans, within the meaning of Section 422 of the Code, of the Corporation shall not exceed One Hundred Thousand Dollars in U.S. funds (U.S.\$100,000);

- (iv) the exercise price of an ISO granted to a U.S. Participant pursuant to this Plan shall be not less than fair market value of the Common Shares at the time such ISO is granted (unless such ISO is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 424(a) of the Code);
- (v) if any U.S. Participant to whom an ISO is to be granted under ~~the~~[this](#) Plan at the time of the grant of such ISO is the owner of shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Corporation, then the following special provisions shall be applicable to the ISO granted to such individual:
  - (vi) the exercise price of such ISO shall not be less than 110% of the fair market value of one Common Share at the time of grant; and
  - (vii) the ISO shall expire no later than five years after the date of grant;
  - (viii) no ISO may be granted to a U.S. Participant following the earlier of (i) the Effective Date and (ii) the date which is 10 years after the date on which this Plan is approved by the shareholders of the Corporation;
  - (ix) no ISO granted to a U.S. Participant under ~~the~~[this](#) Plan shall become exercisable unless and until ~~the~~[this](#) Plan shall have been approved by the shareholders of the Corporation; and
  - (x) the maximum number of Common Shares which may be issued under this Plan as ISOs shall not exceed 5% of the total number of Common Shares issued and outstanding (on a non-diluted basis) at the time of any grant.
- (b) Options may be granted under ~~the~~[this](#) Plan to Consultants in the United States only if such Consultants are natural persons providing bona fide services to the Corporation or a majority-owned subsidiary of the Corporation and such services are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Corporation's securities.

**2.10**      ~~**2.9**~~ **Incorporation of Terms of Stock Option Plan**

Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of each Option granted under this Stock Option Plan.

**2.11**      ~~**2.10**~~ **Exercise of Options**

- (a) An Option may be exercised only by the Optionholder or the Personal Representative of such Optionholder. An Option may be exercised, in whole or in part (subject to any applicable exercise restrictions), at any time or from time to time up to 5:00 p.m. (Vancouver time) on its expiry date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a cheque or bank draft payable to the Corporation in an amount equal to the aggregate ~~exercise price~~[Exercise Price](#) of the Common Shares to be purchased pursuant to the exercise of the Option.

- (b) As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Optionholder (or the Personal Representative of such Optionholder) a share certificate for the Common Shares so purchased. If the number of Common Shares so purchased is less than the number of Common Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Optionholder (or the Personal Representative of such Optionholder) concurrently with delivery of the aforesaid share certificate for the balance of the Common Shares available under the Option. ~~For so long as the Corporation is a Tier 2 Issuer (as that term is defined in the TSXV Corporate Finance Manual), or where the exercise price of an Option is based on the Discounted Market Price, all share certificates~~

## 2.12            Exchange Hold Period's and Resale Restrictions

If required by the policies of the Exchange, the certificate representing the Options and any certificate representing Common Shares issued upon the exercise of such Options (other than Roll Over Options) must be legended with a four month Exchange hold period commencing on the date of the Option grant if exercised prior to the expiry of the Exchange Hold Period) will bear the following Exchange Hold Period legend:

"Without prior written approval of TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date that is four months and a day after the distribution date]."

## 2.13            ~~2.11~~ **Assignment of Options**

Options shall not be transferable or assignable; provided, however, that the Personal Representative of an Optionholder may exercise an Option in accordance with its terms.

## SECTION 3— AMENDMENT AND TERMINATION

### 3.1            **Amendment ~~and Termination~~**

- ~~(a) This Plan will terminate on such date as the Board may determine (without prejudice to Options granted prior to the termination of this Plan).~~
- (a) (b) Subject to Section 3.1(e) paragraphs (b) and (c) and any applicable regulatory approval, the Board will have the right at any time and may from time to time, to amend any of the provision of this Plan, or and the terms and conditions of any Option granted hereunder, in any manner previously awarded or thereafter to be awarded, without consent or approval from any Optionholder or shareholder of the Corporation; and, without limiting the generality of the foregoing, may make such amendments for the purpose of complying with any changes in any relevant law, Exchange policy, rule or regulation applicable to this Plan, any Option or the Common Shares, or for any other purpose which the Board may deem desirable or necessary and may be permitted by all relevant laws, rules and regulations, provided, however, always that no any such amendment may be made that will shall not materially prejudice the rights impair any right of any Optionholder without the pursuant to any Option awarded prior written consent of to such Optionholder) amendment.

(b) ~~(e) Notwithstanding any provisions to the contrary, the Board may not, without approval by the affirmative vote of not less than a majority of the votes cast by~~ only amend the provisions of this Plan relating to the following if the Board obtains the approval of the shareholders of the Corporation ~~voting in person or by proxy at an annual or special meeting of the holders of such Common Shares (excluding, to the extent required pursuant to any applicable rules or regulations of any stock exchange on which the Common Shares are listed, votes of securities held directly or indirectly by any Optionholders benefiting from the amendment), amend this Plan or any Option to~~ respect thereof:

- (i) ~~increase the aggregate number Common Shares that can be issued~~ persons eligible to be granted Options under this Plan;
- (ii) ~~reduce the exercise price or purchase price of an outstanding Option (or cancel an outstanding Option for the purpose of issuing a replacement Option to the same Optionholder at a lower exercise price);~~ the maximum number or percentage of Common Shares reserved for issuance upon exercise of Options available under this Plan;
- (iii) ~~extend the expiry date of an outstanding Option; provided, however, that the Board may extend the expiry date of an Option to a date not later than the tenth business day after the last day of a Black Out Period if the Option expires during or within 10 business days after a Black Out Period;~~ the limitations on grants of Options to any one person, Insiders, Consultants, or persons involved in Investor Relations Activities;
- (iv) ~~for so long as the Corporation is a Tier 2 Issuer, permit the grant of an Option with an expiry date of more than 5 years from the day the Option is granted or, in any other case, permit the grant of an Option with an expiry date of more than 5 years from the day the Option is granted;~~ the method for determining the Exercise Price for Options;
- (v) ~~if at any time this Plan is amended to exclude participation by non-employee directors or to include limits on participation by non-employee directors, expand the class of Eligible Persons under this Plan to permit the grant of Options to non-employee directors or to remove the limits previously imposed on non-employee directors;~~ the maximum term of Options;
- (vi) ~~remove any restrictions on the transferability or assignability of Options; provided, however, that, subject to any restrictions on transferability or assignability of Options imposed by the Exchange or any other regulatory body, the Board may amend this Plan, or any Option granted hereunder, to permit the transfer or assignment of an Option (A) to a family member, (B) to an entity controlled by the Optionholder or a family member, (C) to an RRSP or RRIF of the Optionholder or a family member, (D) to a trustee, custodian or administrator acting on behalf of, or for the benefit of, the Optionholder or a family member, (E) to any person recognized as a permitted assign in such circumstances in securities or stock exchange regulatory provisions or (F) for estate planning or estate settlement purposes; or~~ the expiry and termination provisions applicable to Options; or

(vii) ~~change the~~any amendment ~~provisions of~~to this ~~Plan;~~section 3.1.

~~provided, however, that shareholder approval will not be required in respect of any action taken by the Board (or any committee of the Board) pursuant to Section 2.7.~~

(c) If required by exchange policies, the Corporation will obtain disinterested shareholder approval of Options if this Plan, together with any other share-based compensation arrangement, could result at any time in:

(i) the aggregate number of Common Shares reserved for issued under Options granted to Insiders (as a group) exceeding 10% of the issued Common Shares;

(ii) the grant to Insiders (as a group), within a 12-month period, of an aggregate number of Options exceeding 10% of the issued Common Shares, calculated at the date an option is granted to any Insider;

(iii) the issuance to any one Optionholder, within a 12-month period, of a number of Common Shares reserved for issuance under Options exceeding 5% of the issued Common Shares; or

(iv) the Corporation is decreasing the Exercise Price of Options previously granted to Insiders.

### **3.2 Shareholder Approval**

This Plan must be approved by the Corporation's shareholders annually, at a duly called meeting of the shareholders.

### **3.3 Termination**

The Board may terminate this Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Optionholder pursuant to any Option awarded prior to the date of such termination and notwithstanding such termination, the Corporation, such Options and such Optionholders shall continue to be governed by the provisions of this Plan.

~~LEGEND~~ SCHEDULE A

OPTION CERTIFICATE

This Certificate is issued pursuant to the provisions of the Amended and Restated Stock Option Plan (~~2012~~2020) (the "Plan") of iCo Therapeutics Inc. (the "Corporation") and evidences that \_\_\_\_\_ (the "Optionholder") is the holder of an option (the "Option") to purchase up to \_\_\_\_\_ common shares (the "Common Shares") in the capital stock of the Corporation at a purchase price of \$\_\_\_\_\_ per Common Share (the "Exercise Price"). The Award Date of this Option is \_\_\_\_\_. Subject to the provisions of ~~the~~this Plan, the expiry date of this Option is \_\_\_\_\_ (the "Expiry Date"). All capitalized terms used but not defined herein shall have the meaning ascribed thereto in ~~the~~this Plan.

Additional Terms

The Option will vest as follows:

\_\_\_\_\_% immediately upon grant, allowing the holder of the Option to purchase up to \_\_\_\_\_ Common Shares at the Exercise Price;

\_\_\_\_\_% on \_\_\_\_\_, allowing the Optionholder to purchase up to \_\_\_\_\_ additional Common Shares at the Exercise Price;

\_\_\_\_\_% on \_\_\_\_\_, allowing the Optionholder to purchase up to \_\_\_\_\_ additional Common Shares at the Exercise Price; and

\_\_\_\_\_% on \_\_\_\_\_, allowing the Optionholder to purchase up to \_\_\_\_\_ additional Common Shares at the Exercise Price.

Other than as disclosed above, this Option may be exercised at any time up to 5:00 p.m. (Vancouver time) on the Expiry Date, by delivering to the Administrator of ~~the~~this Plan (i) an Exercise Notice, (ii) this Certificate and (iii) a cheque or bank draft payable to "iCo Therapeutics Inc." in an amount equal to the aggregate of the Exercise Price of the Common Shares in respect of which this Option is being exercised.

**[The Corporation hereby represents that the Optionholder is a bona fide director/employee/consultant of the Corporation.]**

This Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in ~~the~~this Plan. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of ~~the~~this Plan and the records of the Corporation shall prevail.

~~iCo Therapeutics Inc.~~

ICO THERAPEUTICS INC.

By: \_\_\_\_\_  
Name:  
Title:

Dated: \_\_\_\_\_

**SCHEDULE B**

**EXERCISE NOTICE**

To: Administrator of the ~~Amended~~ Stock Option Plan ~~(2012)~~  
iCo Therapeutics Inc.  
760-777 Hornby Street  
Vancouver, B.C. V6Z 1S4

Pursuant to the an option (the “**Option**”) to acquire common shares of iCo Therapeutics Inc. (the “**Corporation**”) granted to the undersigned by the Corporation on \_\_\_\_\_ pursuant to the Amended ~~and Restated~~ Stock Option Plan (~~2012~~2020) (the “**Plan**”) of the Corporation, the undersigned hereby gives notice to the Corporation of the exercise by the undersigned of the option to acquire and hereby subscribes for (*cross out applicable item*):

- (a) ~~(a)~~ all of the Common Shares which may be purchased under the Option; or
- (b) ~~(b)~~ \_\_\_\_\_ of the Common Shares which may be purchased under the Option.

Calculation of Total Exercise Price:

- (i) number of Common Shares to be acquired on exercise: \_\_\_\_\_ Common Shares
- (ii) times the ~~exercise price~~ Exercise Price per Common Share: \$ \_\_\_\_\_

TOTAL EXERCISE PRICE, enclosed herewith: \$ \_\_\_\_\_

The undersigned tenders herewith a cheque or bank draft (circle one) in the amount of \$ \_\_\_\_\_ payable to iCo Therapeutics Inc. in an amount equal to the total exercise price for the Common Shares being purchased, as calculated above, and directs the Corporation to issue the share certificate evidencing such Common Shares in the name of the undersigned to be mailed to the undersigned at the following address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of ~~Participant~~ Optionholder

\_\_\_\_\_  
Name of Witness (*please print*)  
(*please print*)

\_\_\_\_\_  
Name of ~~Participant~~ Optionholder

**SCHEDULE A**

**OPTION CERTIFICATE**

This Certificate is issued pursuant to the provisions of the Amended and Restated Stock Option Plan (2020) (the “**Plan**”) of iCo Therapeutics Inc. (the “**Corporation**”) and evidences that \_\_\_\_\_ (the “**Optionholder**”) is the holder of an option (the “**Option**”) to purchase up to \_\_\_\_\_ common shares (the “**Common Shares**”) in the capital stock of the Corporation at a purchase price of \$\_\_\_\_\_ per Common Share (the “**Exercise Price**”). The Award Date of this Option is \_\_\_\_\_. Subject to the provisions of this Plan, the expiry date of this Option is \_\_\_\_\_ (the “**Expiry Date**”). All capitalized terms used but not defined herein shall have the meaning ascribed thereto in this Plan.

Additional Terms

The Option will vest as follows:

\_\_\_\_\_% immediately upon grant, allowing the holder of the Option to purchase up to \_\_\_\_\_ Common Shares at the Exercise Price;

\_\_\_\_\_% on \_\_\_\_\_, allowing the Optionholder to purchase up to \_\_\_\_\_ additional Common Shares at the Exercise Price;

\_\_\_\_\_% on \_\_\_\_\_, allowing the Optionholder to purchase up to \_\_\_\_\_ additional Common Shares at the Exercise Price; and

\_\_\_\_\_% on \_\_\_\_\_, allowing the Optionholder to purchase up to \_\_\_\_\_ additional Common Shares at the Exercise Price.

Other than as disclosed above, this Option may be exercised at any time up to 5:00 p.m. (Vancouver time) on the Expiry Date, by delivering to the Administrator of this Plan (i) an Exercise Notice, (ii) this Certificate and (iii) a cheque or bank draft payable to “iCo Therapeutics Inc.” in an amount equal to the aggregate of the Exercise Price of the Common Shares in respect of which this Option is being exercised.

**[The Corporation hereby represents that the Optionholder is a bona fide [director/employee/consultant] of the Corporation.]**

This Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in this Plan. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of this Plan and the records of the Corporation shall prevail.

**ICO THERAPEUTICS INC.**

By: \_\_\_\_\_  
Name:  
Title:

Dated: \_\_\_\_\_

**SCHEDULE B**  
**EXERCISE NOTICE**

To: Administrator of the Stock Option Plan  
iCo Therapeutics Inc.  
760-777 Hornby Street  
Vancouver, B.C. V6Z 1S4

Pursuant to the an option (the “**Option**”) to acquire common shares of iCo Therapeutics Inc. (the “**Corporation**”) granted to the undersigned by the Corporation on \_\_\_\_\_ pursuant to the Amended and Restated Stock Option Plan (2020) (the “**Plan**”) of the Corporation, the undersigned hereby gives notice to the Corporation of the exercise by the undersigned of the option to acquire and hereby subscribes for (*cross out applicable item*):

- (a) all of the Common Shares which may be purchased under the Option; or
- (b) \_\_\_\_\_ of the Common Shares which may be purchased under the Option.

Calculation of Total Exercise Price:

- (i) number of Common Shares to be acquired on exercise: \_\_\_\_\_ Common Shares
- (ii) times the Exercise Price per Common Share: \$ \_\_\_\_\_

TOTAL EXERCISE PRICE, enclosed herewith: \$ \_\_\_\_\_

The undersigned tenders herewith a cheque or bank draft (circle one) in the amount of \$ \_\_\_\_\_ payable to iCo Therapeutics Inc. in an amount equal to the total exercise price for the Common Shares being purchased, as calculated above, and directs the Corporation to issue the share certificate evidencing such Common Shares in the name of the undersigned to be mailed to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Optionholder

\_\_\_\_\_  
Name of Witness (*please print*)

\_\_\_\_\_  
Name of Optionholder (*please print*)

## SCHEDULE “B”

### CORPORATE GOVERNANCE PRACTICES

The following is an overview of the Company’s corporate governance practices. In addition to the disclosure provided below, the audit committee charter is attached as Schedule “B” to this Circular.

#### Board of Directors

The board of directors of the Company (the “Board”) encourages sound and comprehensive corporate governance policies and practices designed to promote the ongoing development of the Company. The Board is currently composed of four directors, none of whom are independent. A board member is “independent” if he has no direct or indirect material relationship with the Company. After having examined the roles and relationships of each of the directors, the Board has determined that the following members of its current board of directors are not independent: William Jarosz (Chairman), Susan Koppy, Michael Liggett and Peter Hnik as they are all executive officers of the Company.

#### Other Directorships

The following table provides a summary of other reporting issuers that the directors of the Company are directors of:

Board Member	Reporting Issuer
William Jarosz	None
Susan Koppy	None
Peter Hnik	None
Michael Liggett	None

#### Orientation and Continuing Education

It is the mandate of the Governance and Nomination Committee to ensure that a process is established for the orientation and education of new directors which addresses the nature and operation of the Company’s business and their responsibilities and duties as directors (including the contribution individual directors are expected to make and the commitment of time and resources that the Company expects from its directors). The Governance and Nomination Committee is also responsible for ensuring that directors receive adequate information and continuing education opportunities on an ongoing basis to enable directors to maintain their skills and abilities as directors and to ensure their knowledge and understanding of the Company’s business remains current.

#### Ethical Business Conduct

The Company is committed to maintaining the highest standards of corporate governance and this philosophy is communicated by the Board to management, and by management to employees, on an ongoing basis. Given the Company’s relatively small workforce, the Board has not considered it necessary to adopt a formal code of business conduct and ethics or whistleblower policy but will regularly consider whether it would be advisable to adopt such a code or policy in the future.

#### Nomination of Directors

It is the mandate of the Governance and Nomination Committee to identify, in consultation with the Chief Executive Officer, and recommend qualified candidates for the Board. In assessing whether identified candidates are suitable for the Board, the Governance and Nomination Committee considers: (i) the competencies and skills considered necessary for the Board as a whole; (ii) the competencies and skills that the existing directors possess and the competencies and skills nominees will bring to the Board; and (iii) whether a nominee can devote sufficient time

and resources to his or her duties as a member of the Board. In addition, the Governance and Nomination Committee assesses the participation, contribution and effectiveness of the individual members of the Board on an annual basis.

### **Compensation**

The Compensation Committee is responsible for board compensation, the establishment of salaries of executive management and senior staff, review of the contingency plan for management succession and employee-employer relations. The Compensation Committee reviews and makes recommendations to the Board regarding the corporate goals and objective, performance and compensation of the Chief Executive Officer on an annual basis and is responsible for reviewing the recommendations of the Chief Executive Officer regarding compensation of the senior officers, the compensation policy of the Company (including internal structure, annual review and relationship to market levels and changes), significant changes in the Company's benefit plan and human resources policies and the issuance of stock options to employees, consultants and directors.

### **Assessments**

It is the Board's mandate, in conjunction with the Governance and Nomination Committee, to assess the participation, contributions and effectiveness of the Chair and the individual members of the Board on an annual basis. The Board also monitors the effectiveness of the Board and its committees and the actions of the Board as viewed by the individual directors and senior management.

## **SCHEDULE “C”**

### **AUDIT COMMITTEE CHARTER**

#### **Purpose**

The audit committee (the “Committee”) of iCo Therapeutics Inc. (the “Corporation”) is responsible for ensuring accounting integrity and solvency. The Committee is also responsible for ensuring the appropriateness of insurance, investment of liquid funds, information security policies, material contracts and events that could lead to material liabilities. The Committee will assist the board of directors of the Corporation (the “Board”) in fulfilling its oversight responsibilities by:

- reviewing the integrity of the consolidated financial statements of the Corporation;
- appointing and removing (subject to shareholder ratification if required), determine funding for, and oversee the external auditors and reviewing the external auditors’ qualifications and independence;
- reviewing the performance of the Corporation’s external auditors;
- in conjunction with the Chief Financial Officer, reviewing the timely compliance by the Corporation with all legal and regulatory requirements for audit and related financial functions of the Corporation;
- in conjunction with the Chief Financial Officer, reviewing financial information contained in public filings of the Corporation prior to filing;
- in conjunction with the Chief Financial Officer, reviewing earnings announcements of the Corporation prior to release to the public;
- in conjunction with the Chief Financial Officer, reviewing the Corporation’s systems of and compliance with internal financial controls;
- in conjunction with the Chief Financial Officer, reviewing the Corporation’s auditing, accounting and financial reporting processes;
- dealing with all complaints brought to the attention of the audit committee regarding accounting, internal accounting controls and auditing matters; and
- dealing with any issues that result from the reviews set forth above.

#### **Membership and Reporting**

The Committee will be comprised of independent directors and will have a minimum of three members. All members of the Committee must have a working familiarity with basic finance and accounting practices and be able to read and understand financial statements.

Appointments and replacements to the Committee will be made by the Board and will be reviewed on an annual basis. The Board will provide for continuity of membership, while at the same time allowing fresh perspectives to be added. Each member of the Committee will automatically cease to be a member if he or she ceases to be an independent director.

The chairman of the Committee (the “Chairman”) will be appointed by a majority vote of the Board on an annual basis.

The Committee will report to the Board, at the next scheduled meeting of the Board, the proceedings of the Committee and any recommendations made by the Committee.

Each member of the Committee will be “financially literate”, as such term is defined in National Instrument 52-110”.

The external auditors will report directly to the Committee.

### **Terms of Reference**

1. The Committee is responsible for overseeing the work of the external auditors and will communicate directly with the external auditors as required.
2. The Committee will meet as required, but at least once quarterly (to review the quarterly financial statements, management accounting, management discussion and analysis (“MD&A”) and any related press release before such documents are presented to the Board or filed with regulatory authorities, as the case may be). Special meetings of the Committee will be authorized at the request of any member of the Committee or at the request of the Corporation’s external auditors. The external auditors will be informed about, and can attend, meetings of the Committee as deemed appropriate by the Chairman of the Committee. Provision will be made to meet privately with external auditors on a quarterly basis and to meet privately with management at least once per annum.
3. The Committee will review, with the external auditors, the results of the external audit and any changes in accounting practices or policies and the financial statements impact thereof. In addition, the Committee will review any accruals, provisions, or estimates that have a significant effect upon the financial statements as well as other sensitive matters such as disclosure of related party transactions.
4. The Committee will review and approve interim financial statements, MD&A and any related press release on behalf of the Board and sign a resolution to that effect.
5. In addition, the Committee will review other financial statements, information and documents that require the approval of the Board. These will include year-end audited statements, year-end MD&A, statements in prospectuses and other offering memoranda and statements required by regulatory authorities. The Committee will sign a resolution to the effect that such financial statements, information or documents that are being presented to the Board are satisfactory and recommend their approval.
6. The Committee will review and discuss with management and the external auditors any major issue as to the adequacy and effectiveness of internal controls over the accounting and financial reporting systems of the Corporation, either directly, or through the external auditors or other advisors and obtain and review a report from the external auditors, at least annually, regarding same; and the Committee will review and discuss with management and the external auditors any special steps adopted in light of material internal control deficiencies and the adequacy of disclosures about changes in internal controls over financial reporting.
7. The Committee will review any policies and practices developed by the Corporation regarding the regular examination of officers’ expenses and perquisites, including the use of the assets of the Corporation.
8. The Committee will review the basis and amount of the external auditors’ fees and pre-approve all auditing services and permitted non-audit services.
9. The Committee will consider whether the external auditors should be re-appointed and make recommendations to the Board. At least on an annual basis, the Committee will evaluate the qualifications,

performance and independence of the external auditors and the senior audit partners having primary responsibility for the audit, including considering whether the auditors' quality controls are adequate.

10. The Committee will pre-approve the appointment of the external auditors for all accounting services, internal control related services and permitted non-audit services to be provided to the Corporation. The Committee may establish policies and procedures, from time to time, pre-approving the appointment of the external auditors for certain non-audit services. In addition, the Committee may delegate to one or more members the authority to pre-approve the appointment of the external auditors for any non-audit service to the extent permitted by applicable law, provided that any pre-approvals granted pursuant to such delegation will be reported to the full Committee at its next scheduled meeting.
11. The Committee will review and approve the Corporation's hiring of partners and employees of the external auditors of the Corporation.
12. The Committee will establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
13. The Committee will review and reassess the adequacy of this mandate annually.
14. The Committee has the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors ("Advisors"). The Corporation will provide appropriate funding, as determined by the Committee, for payment of compensation to the external auditors for the purpose of rendering or issuing an audit report and to any Advisors employed by the Committee.
15. The Committee will issue any necessary reports required of the Committee to be included in the Corporation's annual proxy statement. The Committee will review and recommend to the Board the approval of all documents filed with securities regulatory authorities.
16. The Committee will approve all related party transactions brought to the attention of the Committee.
17. The Committee will discuss with management and the external auditors any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Corporation's financial statements or accounting policies.
18. The Committee will receive from the external auditors a formal written statement delineating all relationships between the external auditors and the Corporation and will actively engaging in a dialogue with the external auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

Approved: January 1, 2008